DOING WELL BY DOING GOOD: LINKING CAUSE-RELATED MARKETING TO SALES REPRESENTATIVES' CORPORATE EVALUATIONS

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EVALUATIONS

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CHAPTER I

INTRODUCTION

Marketing is ushering in a new era of "strategic giving" (Deutsch 1997). A prevalent phenomenon occurring with marketing firms is their active involvement with social causes. No longer is it enough to just provide a satisfactory product. "More and more, companies will be enhanced by the connection of social good and personal and business success" (Embley 1993, p. 141). Relationships between firms and not-for-profit organizations currently represent roughly $6.5 to $8.5 billion in support given annually (Deutsch 1997), or about 25 percent of total philanthropy when gifts to religion are excluded (*Giving USA* 1997). Moreover, from 1990 to 1993 corporate spending on such relationships increased by more than 150 percent (Webb and Mohr 1998).

But can firms do good <u>and</u> do well? That is an important question that has gone unanswered (Wood and Jones 1996). More importantly, what if, <u>by</u> doing good, a firm can do well? Can working with not-for-profit firms in a mutually benefitting relationship affect a corporation's bottom line positively? These questions have gone unanswered. The number and quality of studies has not kept pace with the demand (Smith 1996). The little that has been written confines itself primarily to debating the pros and cons of cooperating (Wood and Jones 1996).

Trailblazing corporate social responsibility work suggests that corporations can gain competitively by executing social responsibility strategies and tactics (see for example Barich and Kotler 1991; Menon and Menon 1997; Mescon and Tilson 1987;

Smith 1996; Winters 1986). Corporate social responsibility has been found to be rewarded by consumers in their receptiveness to corporate products (Brown and Dacin 1997), customer's derived utility (Strahilevitz and Myers 1998), consumer response to promotions (Steckel and Drucker 1992), and with improved corporate reputation (Fombrun and Shanley 1990). Even in the unenviable position of marketing to hostile audiences, "cause marketing" is an invaluable communications tool (Winters 1986, 1988).

Identification of the Problem

Despite the precedence of such socially responsible behaviors by corporations, few research efforts concentrate on the impact it has on people within the corporation. Research is needed to challenge the prevailing mindset and to link 'doing good' to marketing representatives' attitudes and performance. Such effort may prove to be in the firm's best competitive interests.

Strahilevitz and Myers (1998) recently appealed to researchers to pursue the charity-firm link and the effect that it has on not only the buyers, but also the firm's marketing representatives. CSR is credited with motivating prospective marketing employees to work for the firm (Galaskiewicz 1997; Stendardi 1992). As Joanne Mazurki, director of worldwide communications for Avon Products said about her company's alliance with national breast cancer research partners, "You can't possibly overestimate the value of a [cause-related] program like this in motivating your sales force" (Arnott 1994). Yankey (1996, p. 6) supports this call and suggests to researchers that in the near future the "challenge is to be prepared for the changing corporate philanthropic agenda and to assist in the creation of new partnerships between the public, private, and nonprofit sectors of society."

Purpose and Contribution

This research contributes to the marketing literature as CSR (especially cause-related marketing) is put forth and examined as a recruitment, motivation, and retention tool available to marketing managers. The purpose of this research is to explore the influence of a not-for-profit partner firm's evaluation on its marketing representatives. Specifically, the research considers one method of demonstrating CSR — cause-related marketing. The research examines the direct effect that a cause-related marketing partner's evaluation exerts on a corporate's evaluation and possibly more importantly, the conditions under which this effect is moderated. Research questions for this study are as follows: (1) Do not-for-profit partner evaluations in a cause-related marketing relationship affect marketing representatives' evaluations of their own firm? and (2) Is the relationship between representatives' evaluations of a not-for-profit partner firm and representatives' evaluations of their own firm moderated by: a) the perceived level of the business firm's commitment to the not-for-profit partner firm, b) the degree of perceived fit between the partners, and/or c) the length of the marketing representative's tenure with his or her organization?

Because of its recent emergence and rapid adoption among marketing practitioners and researchers, the study of corporate social responsibility and cause-related marketing is a promising and bountiful vein of research. Studying business/not-for-profit relationships that are part of CSR and their effect on internal representatives' corporate evaluations are among some of the first steps. Preliminary research on cause-related marketing has myopically focused on describing consumer's general responses to the concept and measuring how cause-related marketing affects their attitudes and purchase intentions (Webb and Mohr 1998).

Marketing representatives form an essential link to any firm. They play a critical role in presenting the corporation. They engage in extensive customer contact and the customer often considers the representative as "the firm." In a sense, these marketing representatives make up the physical embodiment of the firm. They are the means through which the organization achieves its ends. Company communications must actively cater to internal audiences (Cleaver 1998), especially when dealing with the corporate image (Dowling 1986; Gilly and Wolfinbarger 1998). Thus, it is vital the internal audience be a priority to corporate managers.

It is accepted that employees are affected by all aspects of their organization's perceived values and behaviors. Since Lewin (1951), we have understood that an environment like the corporation affects people sales representatives. The centrality of merging corporate social responsibility for the sake of reaching marketing representatives is at its apex and well summarized by Robin and Reidenbach (1987, p. 48), an aspect important to understand is the "...impact from the integration of socially responsible ...values <u>throughout</u> the marketing activities of organizations" (emphasis added).

The past customer-focus of research has handicapped the dynamism of CSR to a single sample context (see Drumwright 1994 for an exception). As Fombrun (1996) contends, a company has multiple audiences that it must strive to satisfy its internal marketers. By researching this other group, my research opens the door to unleashing CSR and cause-related marketing for the benefit of the firm by reaching and affecting marketing representatives.

Varadarajan and Menon (1988) urge that management create and encourage a corporate culture that internalizes the philosophy of cause-related marketing.

> *Though profit and efficiency must remain central values within the culture, they must be balanced by other values that help define the limits of activities designed to achieve those objectives and by values describing other important.... [individual] socially responsible behaviors. Without the integration of concerns about...social responsibility at the very beginning of the marketing planning process, as well as throughout the process, the organizational culture may not provide the checks and balances needed to develop...socially responsible marketing programs* (Robin and Reidenbach 1987, p. 52).

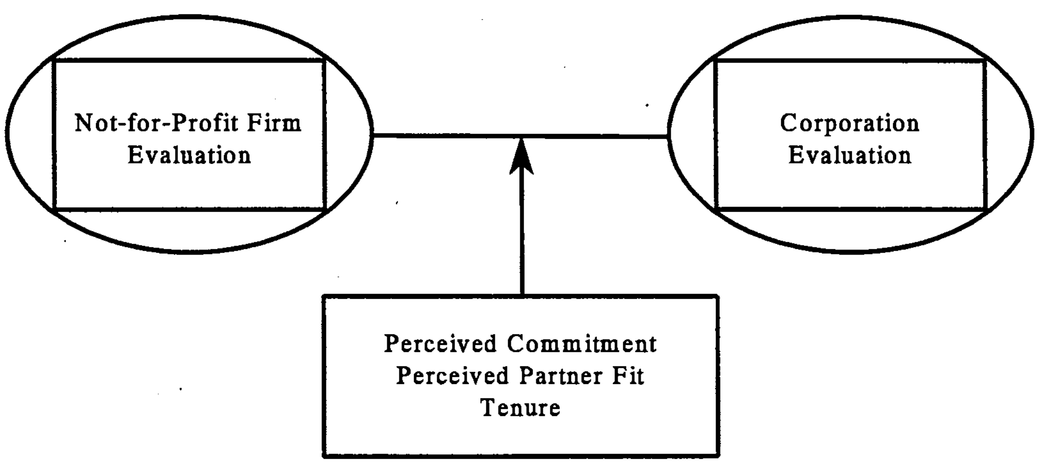
Despite the fact that research interest in social marketing has increased over the past decade (Bush and Grant 1994), little empirical evidence exists. When it comes to empirical research on a company's involvement with its external community concerns and its representatives' evaluative reactions, "both empirical and practitioner landscapes are barren" (Lewin and Sabater 1996, p. 124; for additional concurrence see Milne *et al.* 1996; Wood and Jones 1996). From the few studies completed on corporate social responsibility, the "evidence remains inconclusive" (Galaskiewicz 1997, p. 445).

Attitude directed at the corporation has been a recurring criterion variable in marketing polls and empirical work (*Cone/Roper* 1997 and Brown and Dacin 1997, respectively). While the customer focused research has made great inroads towards advancing our corporate evaluation knowledge, "employees, as organizational insiders, will differ from consumers in their personal interests and experiences" (Gilly and Wolfinbarger 1998, p. 86). Because marketing employees represent what their firm communicates and are such close witnesses to their firm's actions, it is understandable that these same representatives attend vigilantly and respond strongly (even more than consumers) to their firm's corporate messages and to its image. The importance of positive corporate evaluations by the sales representatives cannot be overemphasized.

The dissertation is organized as follows: First, various literatures are reviewed including: corporate evaluation, corporate social responsibility, intergroup relationships, and social identity theory (SIT). The review identifies a framework and factors that may affect marketing representatives' corporate evaluations. Second, a model is proposed (see Figure 1) and its constructs and linkages are discussed in detail.

FIGURE 1

THEORETICAL MODEL



The model addresses the lack of attention on corporate evaluations, cause-related marketing, and the effect on marketing representatives. It contends that marketers' evaluations of their firm's not-for-profit partner affect the corporate evaluations of their own firm. The proposed evaluative transference from not-for-profit firm evaluation to the corporate evaluation is built upon the foundation provided by an assortment of theories generated from numerous fields, but with a focus on social identity theory.

The model starts with a company running a cause-related marketing campaign (vs. not running such a campaign). Embedded in the model is the idea that membership in a positively evaluated organization is an important aspect of an individual's social identity (Tajfel and Turner 1986). Corporate evaluation plays a pivotal role in the model and will be the key dependent variable of the research studies.

Potential Contributions

Beyond an increased understanding of the effect of corporate social responsibility on internal stakeholders, this paper underscores the importance of certain moderating conditions. The model proposes that perceived fit, perceived commitment, and tenure moderate the relationship between the not-for-profit partner firm's evaluation and corporate evaluation. Under certain conditions the effect of not-for-profit partner evaluation on corporate evaluation will be heightened or lessened. Additionally, it offers other potential contributions. Namely it lends itself to elucidating our knowledge of corporate/nonprofit alliances. In general, the marketing discipline's understanding of dyadic alliances is in need of current research. While a great deal of exceptional work has been done on corporate alliances, because of the dynamic environment, much of the work has been dated and deemed inappropriate for today's problems (Powell 1990). This leaves our foundational knowledge of traditional business-to-business alliances less useful to studying the emerging business-nonprofit alliance phenomenon. This paper contributes to a developing and little understood area of study. It strives to lay the foundation of understanding business and nonprofit firm's alliances.

CHAPTER II

LITERATURE REVIEW

Corporate Social Responsibility

This chapter examines the concepts of corporate social responsibility, cause-related marketing, their corporate evaluation, and interrelated literature. It further discusses the introduced model, explains how corporate evaluations are developed, and studies those factors that likely have the greatest influence on the criterion variable.

In the literature review process, this study uncovers gaps or questions that remain unanswered and expands the nascent cause-related marketing and business/not-for-profit literatures. It is important that the corporate social responsibility and cause-related marketing literatures be reviewed because they form the foundation of knowledge upon which further advances can be made. Literatures are reviewed to define corporate social responsibility and cause-related marketing, key influencing variables, and examined as the basis for the development of the cause-related marketing model. The literature review also helps define and clarify the domain of cause-related marketing.

The following sections of the corporate literature review are examined: (1) historical philanthropic perspectives, (2) corporate social responsibility and cause-related marketing, and (3) effects on corporate evaluations.

Historical Philanthropic Perspective

Within industry, the building of working private sector/public sector coalitions is replacing the "fix-it, kill it, or make it go away" corporate mentality of handling public issues (Grefe and Linsky 1995). Accompanying the current shift in practitioner philosophy, corporate social responsibility is being treated as an investment that improves the long-term performance of the organization (Varadarajan and Menon 1988).

In the past, exchange relationships between for-profit and not-for-profit organizations were, at best, supported by economic necessity of the not-for-profit firm and by altruistic motives of the corporation (Fombrun and Shanley 1990). Critics argued that corporate philanthropy was outside the scope of marketing's concerns and resulted in the draining of profits (Gaski 1985; Friedman 1970). The argument had merit: Ultimately, firms have the responsibility to contribute to shareholder value. Altruism cannot be the criterion by which corporate social behaviors are enacted (Drucker 1984).

Early CSR began as a response to social problems before it arrived at its current state of "strategic philanthropy" (Deutsch 1997; Varadarajan and Menon 1988). Early company social responsiveness was endorsed by conscious corporations voluntarily, but had a degree of profit-orientation woven into the philanthropy according to some authors (e.g., Keim 1978). In fact, until 1954 corporate giving was mandated by law to be limited to donations that could be justified as being directly in stakeholders' interests (Fombrun 1996; Varadarajan and Menon 1988). Thus, monies given from company philanthropy coffers have been linked to corporate profit objectives in the past.

While organizations have donated from their charity division for years, many businesses chose to avoid directly engaging in many social issues and problems

(Deutsch 1997; Fombrun 1996). Reasons for a past 'hands-off' behavior when fulfilling CSR include:

- Difficulty of measuring "success" of social objectives. Business firms are accustomed to the process of setting measurable, timely objectives that are conducive to periodic evaluation and adjustment. Social issue success doesn't lend itself to easily determined results.
- Adoption of the "quarterback process" belief. Every entity in society has one role to perform and the team (i.e., society) does best in this role specialization. Business should make money.
- "Our ox is not being gored" mentality. It is not the firm's problem.

Only recently has the idea of merging and leveraging philanthropic actions with marketing principles been explored. In the emerging paradigm, corporate social responsibility (CSR) is a business function that must prove its worth just like any other function (Smith 1996; Varadarajan and Menon 1988) and should be studied as business opportunities (Drucker 1984; Dowling 1986; Grefe and Linsky 1995). Giving the company's money to worthy causes, while laudable, is not enough. As opposed to altruism, CSR and cause-related marketing are distinctly within the domain of marketing and are of interest to marketing stakeholders for many reasons.

While benefitting society, corporate interactions with not-for-profit causes should and do serve the company itself. Referred to as social investing, or strategic giving (Stendardi 1992 and Zetlin 1990, respectively), the emerging focus of CSR as a competitive instrument likens to the quality movement of the 1980s. Deming and Juran argued that quality is as much a competitive factor as price or promotion (a novel concept for the time). As consumer researchers have found, CSR is also being realized as a formidable competitive tool.

Supporting causes generally bodes well possibly because it illustrates the firm as a "good guy" to market segments. The 1997 *Cone/Roper Cause-Related Marketing Trends Report* found that 76 percent of adults surveyed favor the use of cause-related marketing by companies; nearly that same amount of consumers (65%) choose a corporation's brand based on its affiliation with a social cause. By aligning themselves with worthy causes, organizations enable consumers to see the firm in a favorable light according to Bhattacharya *et al.* (1995). Conversely, the market appears to punish firms that are perceived to be socially irresponsible (Frooman 1994).

Cause-related marketing is unarguably a newly-discovered option for marketing managers to affect corporate evaluations. Companies' cause-related marketing contributions to not-for-profit organizations do not originate from corporations' regular philanthropic foundation budgets. Instead, a portion of the marketing budget normally utilized for advertising, personal selling, or sales promotions, is routed to the not-for-profit arrangement. Marketing managers choose to participate in cause-related marketing relationships rather than investing in other promotional options.

An additional circumstantial indicator of marketing's presence in cause-related marketing is the amount spent promoting the alliance. Not unlike other promotional undertakings, the amount of marketing dollars allocated to promoting the firm's participation (and thereby stimulating awareness for the corporation's product) tends to be substantially higher than the promised maximum contribution to the cause itself (Varadarajan and Menon 1988).

Given the emphasis on obtaining a tangible, measurable return from cause-related marketing, corporations can adopt a bottom-line approach to evaluate their investments — ultimately sales exchanges. The central objective of participating in cause-related marketing alliances is to increase company sales (Varadarajan and Menon 1988). Fundamentally, central to the selling exchange is the marketing representative — the revenue producing units of the firm. From consumer surveys (*Cone/Roper* 1997) and academic research (Keller and Aaker 1992), it is known that buyers consider company-related factors in forming evaluations.

Moreover, given the multitude of roles that marketing representatives are required to perform, there is a high potential for role stress (Behrman and Perreault 1984). As multiple authors note, the corporate image that a partner affects can lead to active employee support (Ashforth and Mael 1986) and work as a morale booster (Fombrun 1996). Having a clear understanding of one's firm is said to help employees better deal with role conflict and role ambiguity (Jackson *et al.* 1994). This in turn can be beneficial to decreasing turnover intentions and enhancing commitment which represent a significant competitive advantage for marketing managers (O'Reilly 1989).

A handful of authors, both academic and practitioner, mention that internal constituents are impacted by cause-related marketing (Stendardi 1992; Waugh 1997; Wood and Jones 1996). Lewin and Sabater (1996) found a strong correlation between community, corporate social responses, and employee productivity and morale. A conclusion of these "IBM studies" is that standard business processes should be applied to corporate citizenship. Supporting the position that "doing good" affects internal constituents, a senior product manager at Listerine (the sponsor of For All Kids, a not-for-profit cause that supports the intellectual, social, and cultural development of economically disadvantaged children) is quoted as saying, "As an employer, Listerine knows that working parents are happier and more productive if they don't have to worry about their children's well being while they're at work" (*Cause and Effects* 1997a, p. 5).

The fact that corporate philanthropy is turning to more strategic marketing is obvious to many not-for-profit organizations also. The Smithsonian Council recently discussed prudence in choosing corporate partners. The Smithsonian is aware that its well-known and positively evaluated association bespeaks "American," "integrity," "history," and "art" (Heyman 1998). The Council was concerned about its own reputation and desired the ability to "sever relations if catastrophe [with a corporate partner] occurs" (p. 11). It is seemingly aware that a (not-for-profit) company is known by the company it keeps.

Meanwhile, other well-known, not-for-profit organizations are positioning themselves as partners that present profit opportunities to courting business firms. Joe Fay, director of corporate marketing at the American Red Cross, notes "As we approach the corporate community, we are presenting ourselves as a business partner with a business proposition. It's a real marketing choice to work with us" (*Cause and Effects* 1997b, p. 1). Ashley Graham, director of development and creative enterprises for the antihunger organization SOS echoed the recognition that business firms must do well to sustain its doing good. She remarks "We think the [corporate social responsibility] partnership is more sustainable if there is some return for the corporation" (Lorge 1998).

Viewed collectively, the preceding statements place the responsibility of studying of corporate social responsibility and cause-related marketing squarely in the domain of marketing. In the following sections, each will be discussed.

Corporate Social Responsibility Concept

In general, all business activities generate two outcomes: market and nonmarket effects (Menon and Menon 1997). While market effects are built into a firm's strategy, nonmarket effects (e.g., pollution) were traditionally managed by government or society. Menon and Menon maintain that the concept of social responsibility can be considered the responsible [contractual] adoption of these nonmarket effects. Similarly, Brown and Dacin (1997, p. 68) note that beliefs associated with a firm's CSR reflect "the organization's status and activities with respect to its perceived societal obligations." Robin and Reidenbach (1987, p. 45) define CSR as "the set of generally accepted relationships, obligations and duties that relate to the corporate impact on the welfare on society."

The definition of CSR can be manifested with a number of behaviors and has been conceptually defined in even more terms. In fact, Litke (1994, p. 36) points out that "evaluating companies by 'socially responsible' measures is...rather difficult, because the term itself seems inclusive of anything beyond maximizing profit." In general, the term currently refers to any corporate act that benefits the community at large.

To add to the viscosity of the current corporate social responsibility concept, over time the definition of corporate responsibility has shifted. An Aetna Casualty and

Life CEO is quoted as commenting that most firms in the past viewed corporate social responsibility as "an important but separate pursuit, to be taken care of largely by charitable gifts and community services, now [we] must bring social responsibility into our day-to-day operations and make it part of business decisions" (U.S. Department of Commerce's 1980 Report of the Task Force on Corporate Social Performance). Table 1 presents a sample (both cross-sectional and linear) of representative definitions for corporate social responsibility and cause-related marketing.

CSR is concerned with the social obligations between business and society in which it operates (Steiner 1970). However, a firm's societal obligation can assume many forms at any one point in time. For example, there are unmet societal needs in the areas of education, community, the arts, and the environment. Within the environment facet alone Kilbourne (1995) notes that "there are at least five ways that firms can be 'green' including: environmentalism, conservationism, human welfare ecology, preservationism, and ecologism." The loosely-bound term of CSR is complex and broadly applicable to many socially-benefitting actions. The broad scope of definitions has resulted from, and possibly led to CSR's usage in so many studies (see Table 2).

Although CSR has been studied under an umbrella of similar concepts, the summed line of research has forged a more complete understanding of CSR's fitting place in marketing. However, relatively few studies have suggested how marketing managers might harness the understanding of the subject to build a usable approach to CSR and its effect on marketing representatives.

TABLE 1

CORPORATE SOCIAL RESPONSIBILITY AND CAUSE-RELATED MARKETING DEFINITIONS

Construct	Authors and Year	Definition
CORPORATE SOCIAL RESPONSIBILITY		
	Brown & Dacin (1997)	the organization's status and activities with respect to its perceived societal obligations
	Mullen (1997)	an obligation that private enterprise owes to society in general and subgroups of that society in particular
	Bloom *et al.* (1995)	perform as a good corporate citizen
	Litke (1994)	inclusive of anything beyond maximizing profit
	Robin & Reidenbach (1987)	the set of generally accepted relationships, obligations and duties that relate to the corporate impact on the welfare of society
	Wood *et al.* (1986)	exhibition of strong concern for the broader interests of society
	Lydenberg *et al.* (1986)	criteria includes hiring record of the firm, community involvement, environment protection, and charitable contributions
	Wilson (1986)	social conduct is a function of: concern for the public's interest, equitable taxation, truthfulness, and fair pricing
	Gaski (1985)	1) marketing actions that satisfy customers and act as a means of achieving a profit 2) actions done in accordance with public interest just because it is right
	Carroll (1979)	economic, legal, ethical, and discretionary expectations that society has on organizations at any point in time
	Gross & Verma (1997)	to satisfy society's needs and wants (synonymous with marketing concept)
	Lavidge (1970)	contributing to the solution of social problems (e.g., leadership incorporating marketing expertise, preserving and improving the environment, reducing marketing abuses and mitigating the effects of poverty)
	Friedman (1970)	to make a profit

TABLE 1

CORPORATE SOCIAL RESPONSIBILITY AND CAUSE-RELATED MARKETING DEFINITIONS

Construct	Authors and Year	Definition
CAUSE-RELATED MARKETING		
	Herman (1998)	contractual program that allows business to generate donations usually through consumers
	Cause and Effect (1997)	a strategic marketing practice which links a company or its products to a social cause. The goal of cause is to create enduring bonds and lasting relationships with consumers, employees, retailers, distributors, customers, local communities, and key influencers, as well as to enhance brand equity, increase sales, and differentiate parity products in a cluttered marketplace
	Bulgarella (1997)	strategically planned marketing efforts designed to increase a company's sales or improve its position in the marketplace through actions which also benefit a charity
	Bloom *et al.* (1995)	ties the money or gifts a company gives to a charitable cause with purchases made by consumers
	Smith (1994)	promotions in which a portion of the purchase price is donated to nonprofits
	Barnes & Fitzgibbons (1991)	corporate philanthropy organized to increase the bottom line
	Smith & Alcorn (1991)	marketing strategy that demonstrates social responsibility and satisfies shareholders' demands for increased profit and market share
	Ross *et al.* (1991)	incorporates Varadarajan and Menon's (1988) definition
	National Association of Attorney's General 1986 (as cited in Barnes & Fitzgibbons 1991)	charitable sales promotions
	Varadarajan & Menon (1988)	the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives

TABLE 2

STUDIES INCORPORATING CORPORATE SOCIAL RESPONSIBILITY

Year	Authors	CSR Measure	Findings
1986, 1988	Winters	marketing to hostile audiences	successful change in attitude
1988	McGuire *et al.*	*Fortune* reputation ratings	positive with ROA positive with asset growth not sig. with sales growth not sig. with income
1992	Chew	public television sponsorship	influenced consumer opinion toward company
1990	Morris *et al.*	sponsorship of community activities	positive with long-term profitability
1994	Frooman		firms perceived as socially *ir*responsible were financially punished
1990	Fombrun & Shanley		improved (consumer) corporate reputation
1996	Stipp & Schiavone	olympic sponsorship	improved existing positive feelings for corporate sponsors
1997	Brown & Dacin	report card style ratings	consumer receptiveness to corporate products
1997	*Cone/Roper Cause-Related Marketing Trends Report*		76% favor the use of cause-related marketing
1998	Ferrel *et al.*	ethics-based scale of social involvement	related to employee commitment intrafirm trust
1998	Strahilevitz & Myers	promised donations to charities	consumer derived utility
1998	*Cone/Roper Cause-Related Marketing Trends Report*	Consumer gift purchase decision affected by firm's work with a cause	Split by demographics: in all segments, intentions, and purchases affected by company's social work
1999	*Cone/Roper Cause-Related Marketing Trends Report*	company's charitable reputation	72% of consumers consider corporation's charity reputation

The limited and consumer-focused research on business/not-for-profit alliances leaves marketing managers with only an intuitive idea that their firm can better serve its internal public by participating in a cause-related marketing relationship. Currently, practitioners have little to guide them as to what factors are most beneficial to manage in a relationship of this sort.

Cause-Related Marketing

In its original form, CSR is motivated by the belief that the organization will receive some general benefit at some unknown point in the future for being perceived as socially responsible. Company sponsors hope to enhance image, improve employee retention, and grow sales. In the past, many CSR activities have been less marketing-driven (i.e., strategically planned return on investments for CSR activities) and more philanthropic in nature. Within the rubric of CSR, this paper deals with the more strategic marketing issue of cause-related marketing.

Cause-related marketing is more precisely defined by Varadarajan and Menon in their seminal article (1988, p. 60) as "the process of formulating and implementing marketing activities that are characterized by an offer from the firm to contribute a specified amount to a designated cause when customers engage in revenue-providing exchanges that satisfy organizational and individual objectives." More recently, it has been called:

> *...a strategic marketing practice which links a company or its products to a social cause. The goal of cause-related marketing is to create enduring bonds and lasting relationships with consumers, employees, retailers, distributors, customers, local communities and key influencers as well as to enhance brand equity, increase sales, and differentiate parity products in a cluttered marketplace* (*Cause and Effect* 1997c).

Concisely, Bulgarella (1997) contends that cause-related marketing is "strategically planned marketing efforts designed to increase a company's sales or improve its position in the marketplace through actions which also benefit a charity." Cause-related marketing concerns philanthropic business activities in which both the firm and the not-for-profit cause partner wins.

Cause-Related Marketing Strategic Alliances

Cause-related marketing concerns philanthropic business activities in which both the firm and the not-for-profit cause wins. Smith and Alcorn (1991, p. 19) contend that it "combines the best elements of traditional marketing with the well established concept of CSR." Lorge (1998) calls it a sound business decision that helps the company and the community.

Cause-related marketing relationships are a form of strategic alliance between the not-for-profit and business firm. A cause-related marketing alliance can be thought of as a manifestation of the arrangement between corporate philanthropy and enlightened self-interest (Varadarajan and Menon 1988). They contain the vital criteria needed to be labeled a strategic alliance and have been labeled "commercial co-ventures" (Barnes and Fitzgibbons 1991). While cause-related marketing relationships (like CSR relationships) can be found to exist in a broad array of contexts, cause-related marketing relationships typically involve the following elements also indicative of strategic alliances (Olk and Ring 1997):

- joint activities or two or more partnering organizations;
- a pooling of resources;

- sharing of control, yet a preservation of individual organizational autonomy;
- the pursuit of individual organizational objectives.

Robin and Reidenbach (1987) published an early study incorporating CSR as an integral part of corporate strategic marketing. Since then, some empirical work has followed. In all regards, a cause-related marketing alliance has duel objectives — improve corporate performance and help not-for-profit causes. Echoed in the quote from Carolyn Mentesans, vice president of the Kimberly-Clark Foundation, "Our first responsibility is to our shareholders. You can't be cavalier about cause-related marketing. You have to look at it and say, 'Does it make sense?'" (Lorge 1998).

Despite the evident positive benefits of cause-related marketing, its merits have been questioned. For instance, Langley (1998) recently reported troubling issues concerning corporate/charity relationships. Cause-related marketing is effective because companies achieve some business return for their social effort. The same characteristics that make cause-related marketing a strategic, altruistic success for business (e.g., measurable objectives and probability of sales gains) make it vulnerable to criticism. Not surprisingly, the issue of exploitation is commonly at the forefront of cause-related marketing criticisms. Varadarajan and Menon (1988) note that cause-related marketing contributions have the characteristics of (1) being tax deductible for the company and (2) having more money spent on promoting the alliance than being contributed to it. From a public policy standpoint, therefore, ethically questionable issues might exist if the goal is pure philanthropy in its truest form.

Cause-Related Marketing's Win-Win Popularity

Cause-related marketing alliances have experience an explosion in popularity. Cause-related marketing's popularity can be attributed to a number of reasons. One possible reason can be referred to as the quarterback mentality (Embley 1993). This philosophy of corporate social thinking assumes that the "team" does best when each "player" performs his/her role to the best of his/her ability. Under this view, corporations make the most positive social impact through their work with not-for-profit organizations while still serving their own marketing interests. Similarly, according to Bendapudi *et al.* (1996), causes are intermediaries that pledge to act on behalf of a contributing party.

A second reason cause-related marketing has become a popular channel through which firms express social responsibility is the targetability of cause-related marketing. Within markets, subgroups exist that have diametrically opposed expectations (Robin and Reidenbach 1987). Any corporate social behavior shown to one group could possibly produce negative repercussions from another group. In the past, this has often resulted in a kind of corporate social "paralysis" where a choice of inaction is seemingly in the firm's best interest (Robin and Reidenbach 1987). This inaction is documented by Morris and Biederman (1985) who contend that firms, to avoid charges of corporate hypocrisy, tended to shy away from supporting causes that seemed to have potential to further their corporate interests.

From an optimist's point of view, the recognition of heterogeneous responses to cause-related marketing relationships presents opportunities to selectively target customers. As Bhattacharya *et al.* (1995, p. 47) note, consumers may be loyal to a firm's products because they identify with the causes that an organization embodies. "... [W]hen organizations stand for specific causes (e.g., preservation of the rain forest by Ben & Jerry's), consumers may be loyal to its products because they identify with the mission of the organization."

Markets have become more environmentally aware and civic minded. In a recent *Cone/Roper* study (1997) consumers overwhelmingly preferred the more socially reputed manufacturer when evaluating otherwise similar products. Firms that break their social responsibility contracts now are hard pressed to defend their actions to investors, creditors, and prospective hires. "Socially conscious companies are expected from communities... companies should put back at least as much as they take from a community" (Fombrun 1996, p. 68).

A defining feature of cause-related marketing is the firm's contribution to a specific not-for-profit organization linked to consumers' engaging in revenue-producing exchanges. While the resulting social behaviors are still philanthropic, the decision-making and funding is marketing in origin. Marketing managers can readily recognize principle marketing constructs. American Express funded the Charge Against Hunger Campaign through the majority of its fourth quarter advertising and marketing budget (*Cause and Effects* 1997b). IBM Corporation also has recently restructured its social programs to capitalize on strategic opportunities. Restructuring has included the alignment of multiple philanthropic departments into a centralized, focused 'Corporate Support Programs' unit that strategically chooses its social responsibilities (Embley 1993).

The corporate partner's help can propel the firm's level of success. For instance, Calphalon, a maker of gourmet cookware, sells a cooking pan with the label of its not-for-profit partner (antihunger organization Share Our Strength – SOS) on the packaging. Calphalon promises that for every pan sold, five dollars will be donated to SOS. Consumer sales of the pan increased tenfold over what they were without the SOS logo (Lorge 1998).

In their attempts to gauge the effectiveness of cause-related marketing programs, most work has typically depended on consumer attitude (brand and corporate evaluations) and behavior response measures like sales promotion redemption rates (Varadarajan and Menon 1988; see Chew 1992 and Stipp and Schiavone 1996 for exceptions).

Of interest to marketing managers, internal representatives are likely influenced by charity associations. Strahilevitz and Myers (1998) suggest that the "warm glow of giving" may affect not only a buyer who indirectly contributes to a cause through a purchase, but also the seller. This warm glow could readily be spread to the charity-aligned employees. In fact, a 1994 Conference Board survey of top managers found "boosting employee involvement" and "loyalty" to be two of the top reasons given for implementing corporate giving programs (Vercellotti 1997). As evidence, Peattie and Ratnayaka (1992) found that marketers rate social concerns (e.g., environmental issues) as highly important issues in their lives.

Managers can use this knowledge to direct learning about the corporation. An implication of marketing representatives using the not-for-profit partner as a cue from which to gain evaluative information about their own firm is that managers can impact employees' evaluations of representative's firm with macrolevel organizational actions. Ashforth and Mael (1989, p. 28) note that this type of symbolic management can be "designed to impart identity or at least management's representation of it. Management can ... provide compelling images of what the organization represents" and have been found to go to great lengths to help employees learn about the firm (Levinson 1970). Managers are capable of engaging in influence processes to create or change a collective corporate image for constituents (Dutton *et al.* 1994). They have a broad array of tools to mold the evaluations of their firm.

From the marketing employee's point of view, learning is important and can take different routes. Because the firm and job make up a large share of an individual's life they are naturally linked to the individual's concept of self. The marketing representative learns more about this corporate aspect of his/her self by focusing on mental activities such as forming concepts, thinking, and remembering corporate stimuli (such as corporate socially responsible behavior). Marketing representatives generate and adapt their evaluations to make sense of these stimuli.

An important issue concerns how people learn in a corporate environment. In one consumer marketing article it was proposed that people learn through education and experience (Hoch and Deighton 1989). Learning through education involves the person's gathering of information from sources. Contrarily, learning through experience deals with the process of acquiring corporate evaluation knowledge through actual contact.

As noted earlier, marketing managers have a large stake in influencing marketing representatives' corporate evaluations. Through internal business communications, internal corporate promotions, and witnessed corporate behaviors, marketing representatives learn about their firm and evaluate it. The paper examines different theoretical mechanisms through which this learning/evaluating takes place.

Social Identity Theory

Social identity theory contradicts traditional views of group-individual relations because the judged groups tend to be more positively evaluated and favored even in the absence of member interdependencies, interactions, or cohesion (Ashforth and Mael 1989). The individual reifies and evaluates his or her group apart from his or her relationships with its members (Turner 1987).

Until recently, the study of how groups such as organizations relate with or affect individuals has primarily focused on interpersonal cohesion. Previous attempts to link the macrostructure (e.g., the corporation) with the microstructure (individual) studied interpersonal interdependence or similarity as attraction (Turner 1987). In general, theories of how individuals relate to groups were believed to fall into two camps (Hogg 1987). The first camp argues that group cohesion is dependent upon intragroup interdependence. The second argument contends that groups are a collection of individuals who are interpersonally attracted to each other. Recently, researchers (e.g., Hogg 1987) have argued that group evaluation is a distinct process from that of interpersonal interdependence or attraction.

Sociologically, business organizations are groups to which individuals relate and from which they learn to behave. Turner (1987, p. 2) describes a group as "one that is psychologically significant for the members to which they relate themselves subjectively for social comparison and the acquisition of norms and values...which influences their attitudes and behaviors." Because groups (e.g., corporations) are capable of influencing individual members, this raises the possibility of an active relationship between the marketing representative and his/her organization. In other words, the member's evaluation of his or her own firm exists, adapts, and can influence the person's self.

While a positive evaluation of one's own firm is not always the case, a negative evaluation is psychologically aversive and motivating. Moreover, evaluation of the firm need not be empirically valid and is indeed an individual evaluation based on the individual's perception. Images vary from person to person because of individual feelings and beliefs resulting from different backgrounds.

According to social identity theory, individuals make active efforts to classify him or herself into various social categories to (1) order his/her social environment and (2) locate/define him/herself within it (Tajfel and Turner 1986). To gather information needed to properly perform categorization, employees attend to information cues (Fombrun and Shanley 1990) such as cause-related marketing campaigns. Social identity theory relies on the argument that meaning is not a given but evolves from verbal and nonverbal interactions. Here, interaction is defined broadly to include any symbolic transmission including employee orientation sessions, an organization's stance on an issue, and its active alignment with a social cause. Through symbolic interactions representatives lessen ambiguity about their organization and their self and establish a framework or schema of organizational experience from which to evaluate their firm.

Information Integration Theory

To further explore why cause-related marketing partner firms might be relied upon as evaluative cues by marketing representatives, another theoretical learning mechanism is introduced and briefly discussed. Information integration theory describes the process by which stimuli are combined to form beliefs or attitudes (Anderson 1981). According to information integration theory, attitudes are formed and modified as people receive, interpret, evaluate, and then integrate information with existing attitudes (Simonin and Ruth 1998).

Integration theory has developed around four interlocking concepts: stimulus integration, stimulus valuation, cognitive algebra, and functional measurement (Anderson 1981). Stimulus integration is the central concept and views the individual as an integrator of stimulus information. Next, whether the individual believes that corporation *X*'s evaluations can be integrated with corporation *Y*'s is, to a degree, a function of the individual's valuation of the two corporations' aggregate schemas.

The final two concepts are cognitive algebra and functional measurement. Cognitive algebra is a generic term applied to the algebraic tendency of individuals to obey simple mathematical rules when integrating stimuli (Anderson 1981). To say that individuals average or multiply two stimuli assumes that the stimuli have measurable, psychological values attached.

In short, information integration theory works in the following manner. Physical stimuli impact the individual and are processed (assigned a numerical value) by the person according to his or her psychological valuation. These psychological stimuli are combined by the integration function into a resulting outcome (Anderson 1981).

In the current research context the cause-related marketing alliance partner acts as a symbolic cue to marketing employees which contributes to, or influences corporate evaluations. Ultimately, it is corporate evaluations that are so important to companies and consequently to this study. Social identity theory lends the foundation for understanding why representatives are driven to seek out information about their organization (e.g., its caused-related campaign partner), and information integration theory lends us the explanation of how the partner's evaluation is merged into and/or affects corporate evaluation.

An employee's relationship with the organization is a knowledge structure between self and the organization. It can be said "...[O]rganization membership can confer positive attributes on its members and people may feel proud to belong to an organization that is believed to have socially valued characteristics" (Dutton *et al.* 1994, p. 240). It is these arguments that make corporate evaluation so important as a criterion variable.

Importance of Corporate Evaluation

Corporate evaluation as a criterion variable has become increasingly important to marketers. Brown and Dacin (1997) and Webb and Mohr (1998) visited the concept recently and reestablished its centrality to marketers by linking it to consumer attitudes and responses. Possibly because consumers believe better firms have more at stake by risking the sale of a substandard product, corporate evaluations act as a marketing warranty to consumers in a sense (Fombrun 1996).

Banerjee *et al.* (1995) noted the recognized importance of positive corporate evaluations in a firm's marketing objectives. In their research, they uncovered the concerted effort that socially responsible companies exert to enhance corporate evaluations. The researchers stated "A majority of advertisers in the sample [of corporations engaged in socially responsible advertising] attempted to project a green <u>corporate</u> image rather than focusing on the environmental benefits of their <u>product or service</u>" (p. 21, emphasis added).

Representatives are specifically prone to being affected by corporate evaluations. For instance, Varadarajan and Menon (1988, p. 62) note that "supporting popular and respected causes can help enhance the stature of a sponsoring firm as a result of association." Good company evaluations can magnify the number of interested applicants. Webb and Mohr (1998) found that positively evaluated firms engaged in cause-related marketing were the targets of prospective employees. In effect, corporate behaviors such as an active partnership with a not-for-profit organization can emit signals that reify the organization to its internal members and impact corporate evaluations.

Additional evidence lends credence to the argument that corporate marketing members attend to their corporation's evaluation. Gilly and Wolfinbarger (1998) demonstrated that marketing members desired advertising that pictured their organization positively because employees represent their organization, or are the "front-line" between the company and the customer daily. This can be understood because the company is a substantial part of a representative's life. Empirically, a highly valued corporate perception has been correlated to the development of representatives' organizational identification (e.g., Bhattacharya *et al.* 1995; Dutton *et al.* 1994; Hall and Schneider 1972; Hall *et al.* 1970; Mael and Ashforth 1992) whereby the representative comes to see him/herself nearly as "one" with the organization.

Social identity theory contends that the individual marketer identifies with his/her organization partly to enhance self-esteem that is derived from his/her association with a highly evaluated object (Tajfel 1982; Cialdini *et al.* 1976). When the organization is positively evaluated there is an added advantage of belonging to the group. This is attributed to the fact that individuals desire association with groups that enhance their own distinctiveness. The central premise of research on the self is that the self-concept interprets and organizes self-relevant actions (Markus and Wurf 1986). Support for this line of reasoning comes from the corporate social performance literature where Wood and Jones (1996) suggest that representatives evaluate the effects of corporate behaviors on their own interests and expectations.

Commonly, people "bask in the reflective glory" of positive events (Cialdini *et al.* 1976). One is believed to share more attributes with his/her firm when the firm is highly evaluated (Bergami and Bagozzi 1996). Schwartz (1987) calls this process where the organization provides participants a sense of self-identity the "ontological function." Kahn (1990) contends that people personally engage and disengage in varying degrees, both physically and psychologically with the organization. These organization-benefitting behaviors are posited to be partly the result of the individual's evaluation of his/her firm.

Markus and Wurf (1986) develop a model of the dynamic self-concept that explains the self as flexible and malleable while still stable. Because employees are so closely associated with a firm, the firm makes up a part of the representative's self. This subset of the self is accessible at any given moment. Therefore corporate evaluations are constantly being analyzed and assessed.

The authors contend, using Tesser's (1983) self-evaluation maintenance theory, that people strive to maintain positive self-evaluations. Similarly, a central tenet of social identity theory is that individuals want to be associated with social entities that enhance their self-concept. To do this they often vary the perceived closeness of interaction with a positively-evaluated entity: marketers are members of organizations. Therefore, the organization contributes to (sometimes minutely, sometimes largely) the representative's self-concept. Because individuals are motivated to maintain and enhance their own self, it can be reasoned that when an aspect of the self (e.g., the individual's organization) is engaged in an alliance, potential exists naturally for motivating responses.

Corporate evaluations unambiguously guide and shape a representative's behavior (Barich and Kotler 1991). Lewin's (1951) original conceptualization, [B=f(P,E)], indicates that behavior is a function of the person and his or her environment. Burke and Franzoi (1988) found that an individual's evaluation of their situation strongly related to self-evaluation. Respondents (e.g., representatives) feel good when in "good" environments. If representative's interpret a poor organization evaluation they may experience negative personal feelings such as depression or stress (Dutton *et al.* 1994). In turn, these psychological feelings could lead to such undesirable employee behaviors as reduced effort or even turnover.

Corporate evaluations can also play a part in motivating future potential representatives of the firm. Ashforth and Mael (1989) note that a positive corporate evaluation attracts the recognition, support, and loyalty of not only key constituents, but organizational members also. Additionally, to company representatives a positive evaluation acts as a morale booster:

> *The human element of reputation is that it gives people extra energy. It gives you that extra lift to do the tough stuff our life consists of day in and day out. It builds loyalty by increasing the willingness of employees to cooperate with unusual requests and by fostering teamwork and a sense of shared destiny* (Fombrun 1996, p. 79).

Individuals are more likely to desire to maintain perceived prototypical group behaviors and encourage others to do so also in positively evaluated groups (Hogg and Turner 1985). In other words, employees assume roles perceived to be accurate of prototypical corporate employees. Being a member of a positively-evaluated organization encourages members to act the role of a positively evaluated model.

The Model And Research Hypotheses

As Figure 1 suggests, a not-for-profit partner organization's evaluation should positively correlate with marketing representatives' global affective evaluation of their employing firm. Underlying answers to the reason why are based on social identity theory and information integration theory. Moreover, this effect is contingent upon certain important conditions including: perceived level of corporate commitment, perceived fit of the partners, and the representative's tenure.

Not-for-Profit Partner Evaluation Effect on Corporate Evaluation

Representatives' attitudes toward the cause-related marketing partner are expected to influence overall evaluations of the firm directly according to social identity and information integration theories. A similar effect of attitudes has been put forth in the brand extension literature (Aaker and Keller 1990). Although their work deals with products, Gaeth *et al.* (1990) found that evaluations of bundled goods are enhanced with the addition of a high-quality, positively-evaluated product. This is similar to what Stevens (1984) refers to as "brandstanding." Associating a proven product or service with an issue of interest to individuals "creates for the brand an aura of excitement, interest, and reliability and renewed vitality" (p. 31).

The study of cause-related marketing is especially well suited as a strategic management tool for relaying what a corporation is. For instance, within the sales organization hierarchy, it is common for salespeople to turn to managers to clarify ambiguous areas such as what the firm represents. Because marketing representatives commonly encounter situations where no standard operating procedures exist or no past experiences directly apply, role ambiguity is inherent in their jobs (Walker *et al.* 1977). Representatives are expected to rely on cues such as corporate relationships to additionally clarify ambiguity.

More similar to 'co-marketing where the success of each firm depends in part on the other firm) than altruism, cause-related marketing relationships are intended to amplify and/or build awareness of similarities derived from the partnership (Bucklin and Sengupta).

When applied to a relationship context, information integration theory suggests that any new information (e.g., about a cause-related marketing relationship partner) results in modification or updating of the corresponding (e.g., corporate) evaluation. For applied examples, the brand alliance literature has observed "spillover effects" in consumer evaluations where attitudes toward an alliance's partner resulted in attitudinal shifts toward individual participating brands. The effect can be seen also in co-branding research where one brand is more favorably rated as a result of being psychologically associated with a second, positively evaluated brand (see Rao and Ruekert 1994 for example).

In sum, the model's main effect can be stated as the impact of not-for-profit evaluation on the corporate evaluation should be positively correlated. If the not-for-profit firm is associated with positive evaluations, the corporate partner should benefit from the partnership. If the not-for-profit partner firm earns a poor evaluation, the corporate evaluation should be harmed.

While the main effect of an alliance's not-for-profit partner evaluation on its corporate partner's evaluation is important to conceptually develop and empirically test, it is the conditions under which the effect is augmented or curtailed that are of great importance. Potential moderators have been developed and put forth in the next section.

Moderators

The model proposed in Figure 1 asserts that if a not-for-profit cause-related marketing partner is perceived as attractive, then a clear affiliation should transfer positive evaluative effects to the member's firm. Likewise, if a firm lends extensive support to a poorly evaluated firm (e.g., the Ku Klux Klan) a negative evaluative transfer carries over to the company. Additionally, the model proposes that a number of different variables potentially moderate the effect. These moderators include: perceived commitment of the business firm, perceived fit of the partners, and the representative's tenure.

Perceived Commitment. The perceived depth of commitment exhibited by a corporate partner toward its not-for-profit partner firm is expected to enhance the transfer of global evaluations. Marketing representatives who see their firm heavily investing nonredeployable assets into the cause-related marketing relationship will infer a stronger linkage between the corporate partners. Because the value of the specific investments are directly dependent on the relationship's survival, the investments act as an implied cue to marketing members as to their firm's pledge to the partner cause. This greater pledged closeness is posited to embellish the evaluation transfer.

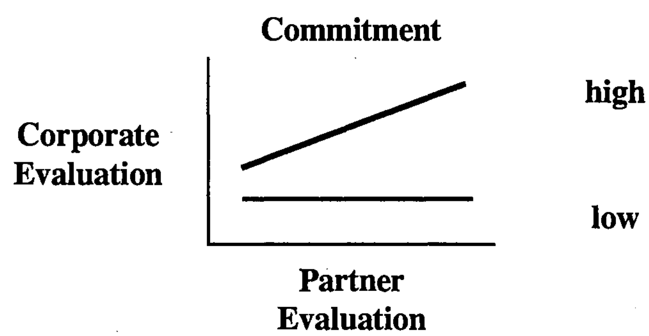
Commitment extends beyond a positive evaluation of the relationship partner based on current costs and benefits. It instead adopts a long-term orientation to the exchange (Anderson and Weitz 1992). This includes forthrightly making extended investments and sacrifices for the good of the relationship. The link between not-for-profit partner evaluation and corporate evaluation should be moderated by the perceived depth of commitment as operationalized by the perceived amount of relationship specific investments [referred to as transaction specific investments — TSI — by Williamson (1975) in transaction cost analysis literature] or pledges (Anderson and Weitz 1992). While the issue of transaction specific investments is most often studied in channels literature and generates many of the primary independent variables in transaction cost analysis (Williamson 1975) models, its application in the form of perceived commitment is extended to the current context.

Companies may have a variety of ways to express commitment and invest in a cause-related marketing relationship. In some cases, certain promotional material such as newspaper advertising or posters carry both firms' names, specific events or dates. At other times, complete retooling of assembly lines and the repackaging of the company's product is undertaken. When RJR Nabisco allied with the World Wildlife Fund, it changed the animal cookie cast from its traditional circus animals to a series of wild animals and altered the well-recognized circus trailer box package. Never before had Nabisco done either. Such strong cues of relationship commitment are expected to magnify the effect between not-for-profit partner evaluation and the representatives' evaluations (see Figure 2).

Heide and John (1988) define relationship specific commitments as "investments specialized to the relationship and are not redeployable." More formally, "Transaction-specific investments are those human and physical assets (tangible and intangible) required to support exchange and which are specialized to the exchange relationship" (p. 21). Similarly, Anderson and Weitz (1992) define these credible commitments as "actions undertaken by members that demonstrate good faith and bind the … members to the relationship."

FIGURE 2

PERCEIVED COMMITMENT BY NOT-FOR-PROFIT PARTNER EVALUATION MODERATION EFFECT



Specific investments bind an organization to a relationship. Firms that make idiosyncratic investments in a relationship tend to exhibit greater commitment (Anderson and Weitz 1992). If the relationship were to end, the value of the assets would be lost because of the nonsalvageable nature outside of the relationship. Such single-purpose assets can be thought of as switching costs to the company (Jackson 1985). Making nonredeployable investments not only acts to constrain a firm and commit it to the relationship more fully, but also provides a signal of that commitment to the relational partner (Anderson and Weitz 1992).

Some business/not-for-profit exchanges are engineered to operate under conditions of low commitment. Businesses contribute to not-for-profit organizations for a number of reasons, some of which are not publicized greatly. Not all business/not-for-profit alliances are generated for social goodwill. In some cases, firms contribute to causes as part of a cost savings strategy. For instance, not-for-profit contributions generate a reduction in taxable income for firms (Galaskiewicz 1997).

As argued throughout the paper, contributions can be more than a tax write-off, however. Firms interested in these transactional exchanges will less likely invest in transactional specific investments that promote the relationship. They will not invest heavily in a nonsalvageable cost such as cooperative advertising, the retooling of machinery, etc., because they do not receive the profits from a temporary relationship and find it too expensive to communicate as much.

Under the conditions of low perceived commitment, there should be little difference between the effect of low versus high not-for-profit partner evaluation. An evaluated partner that receives few specific resources from the company should be seen as a less "consummated" partner. Marketing representatives, consequently, will not infer as close a relationship between the firms. Perception of high commitment, contrarily, serves to overtly make members aware of the dedicated nature of the affiliation and should stimulate a positive correlation between the evaluations of the partner firm's and the marketing member's firm's evaluation. Representatives will attend to the salient investments as cues of commitment toward a not-for-profit organization. The marketing members evaluative judgments are then activated and more likely transferred to their own firm.

According to attitude accessibility theory (Fazio 1986), the more salient or accessible an attitude, the more likely it is that the individual (e.g., marketing representative) will access that attitude upon observing cues associated with the brand (Roskos-Ewoldsen and Fazio 1992). Moreover, the more accessible the attitude, the more likely it will bias information processing in the direction of the valence of the attitude (Simonin and Ruth 1998).

While high perceived commitment is expected to positively enhance a good evaluation's effect on corporate evaluation, high commitment with a poorly evaluated partner should not help the firm and in fact might decrease the company's evaluation in some situations. While the business firm is typically the partner most often distrusted, not-for-profit firms have recently been noted for their charlatan ways (Webb and Mohr 1998). An unattractive cause-related marketing ally for which the company has invested a high amount of resources might negatively impact individual's evaluations of their own firm and will reflect poorly on their self-concept. While a dramatic high commitment × low partner evaluation effect would manifest itself by registering low on corporate evaluation (lower than any point along partner evaluation × low commitment), it is anticipated that representatives will not "punish" a high commitment in general.

Menon and Menon (1997) refer to commitment as the irreversibility of the decision specificity of resources. Because specific investments cannot be salvaged for other purposes they may be viewed as critical indicators of a firm's goal, and commitment level and might be inferred by representatives to represent immobile and significant commitments to the partnership. From recent work done in management on person-organization fit, it is evident that organization members evaluate a firm's goals and values and respond (Kristof 1996).

Kirmani and Wright (1989) argue using self-perception theory (Bem 1972) that people (e.g., marketing representatives) naturally form attributions about behaviors in marketing contexts. The authors contend that information receivers believe the marketing firm invests great effort in promoting something because it believes strongly that it has a high quality product. The promotions content isn't terribly important since most marketing representatives are unable to judge the reliability of the claim from their information-deficient standpoint anyhow. The mere fact a firm spends money to alert internal publics is a credible signal of stronger association.

We can see that consumers use the amount of investments as a clue to the marketer's commitment to the success of the promoted object. From Gilly and Wolfinbarger's (1998) work, we understand that internal publics such as marketers similarly attend to marketing communications. It is seemingly probable that marketing members draw inferences about the company's irreversible commitments to the not-for-profit firm from their perception of commitment that might be judged in terms of the firm's investment of specific, nonsalvageable resources. This proceeds to interact with the cause-related marketing partner's evaluations.

H_1: The positive relationship between partner evaluation and corporate evaluation is greater when perceived commitment is high than when perceived commitment is low.

Perceived Fit of Relationship Partners. For the most part, it is reasonable to believe cause-related marketing leads companies to invest in areas that relate to, or fit with, their own industry. This commonly seems to be the case practiced among corporations. Pragmatically, because the company knows a "good-fitting" industry well, it can make choices about how to contribute most wisely.

Fit extends beyond improving decision-making effectiveness and affects business stakeholders. Much work on fit conducted in the brand extension literature is primarily concerned with consumer research (see Smith and Andrews 1995 for an exception), and it emphasizes the role of fit between two product classes in forming consumer brand extension evaluations (Aaker and Keller 1990). For the most part, better fit allows for greater evaluative transfer.

It stands to reason that global evaluations also transfer between a not-for-profit firm and a business firm more readily when the two firms are perceived by individuals as fitting well together in some logical manner. While "logical fit" is an individual assessment to a degree, it is commonly accepted that fit can be seen as likeness. Two objects are categorized together, or are said to fit, when they are related to one another. For instance, two firms might be seen as fitting together because they share similarities and are easily categorized in members' minds.

Fit can also be perceived when two firms complement, or support, one another. For instance, a tree harvesting organization is complemented with a tree conservation organization (specializing in replanting seedlings) to generate a sustaining ecosystem.

Perceived fit has been described by previous researchers (e.g., Tauber 1988) as "perceptual fit," which occurs when an individual "perceives the new item to be consistent with the partner brand." Similarly, for this study, marketing representatives' perceptions of partner fit is the extent to which marketing representatives perceive the two partnering firms to be similar or complementary. For instance, the American Cancer Society has recently partnered with SmithKline Beecham's NicoDerm CQ. The goals of this alliance are to have more smokers quit with the product's help and to build awareness of the American Cancer Society's mission (*Cause and Effects* 1996).

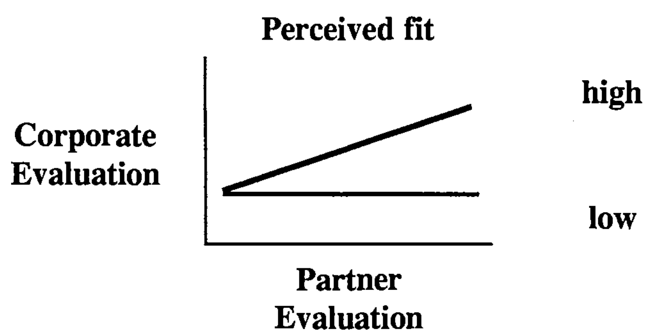
Whether the two firms are similar or complementary (e.g., Patagonia and the Nature Conservancy or Exxon and the World Wildlife Fund, respectively), a perceived fit should augment the positive correlation between not-for-profit firm evaluation and firm evaluation. Mark Feldman, vice president of the cause-related marketing practice at Cone Communications, a Boston-based marketing firm, says the best [cause-related marketing] initiatives link companies with related partners (Lorge 1998).

Evidence of partner relatedness, or fit, can be found in the marketing strategy literature. Within standard alliances (i.e., traditional business-to-business relationships), Rudie-Harrigan (1988) maintain that ventures are more successful when partners are related (in products, markets, and/or technologies) than when they are unrelated to one another. Bucklin and Sengupta (1993) found that when lateral organizations joined together in a co-marketing alliance, having complementary goals and objectives enhanced the effectiveness of the alliance. This hypothesis was confirmed using a "good" product fit (computer and semiconductors).

The concept of fit can be viewed along a continuum: on one end is a partnership in which a high degree of fit is readily perceptible to marketing representatives; and on the other end are relationships where little perceptible fit exists. Perceived fit of the relationship partners can influence firm evaluations by the way it affects the degree to which members transfer global evaluations from the not-for-profit partner to their own firm. Ultimately, when employees perceive a poor product fit less attitude transfer is posited to take place. In contrast, under conditions of good product fit congruent transfer of global evaluation should take place (see Figure 3).

FIGURE 3

PERCEIVED RELATIONSHIP FIT BY NOT-FOR-PROFIT PARTNER EVALUATION MODERATION EFFECT



To understand why fit impacts the individual marketing representative, we turn to the argument that individuals categorize, or group, like objects more readily than they group unlike, or nonfitting objects. The fitting group should allow evaluative transfer more easily.

Individuals have been found to respond more favorably to the marketing firm's efforts when joined product categories fit with one another. "The degree to which a new product is viewed as typical of a brand category plays a critical role in determining the extent to which brand affect is generalized..." (Smith and Andrews 1995). The affect associated with a brand category tends to be assigned [to a new product] most readily when it (the product) is perceived as typical of the brand category (Aaker and Keller 1990).

A similar perspective studied by brand alliance and brand extension researchers is that of "typicality" (Loken and Roedder-John 1993). Basically, the weight given to information on beliefs about a brand extension depends on whether the information is consistent with beliefs about the family brand. When information about an extended brand is not consistent with the perceptions of the family brand, the consumer transferred little information back to the original brand (Aaker and Keller 1990). In the case of "ill-fitting [brand] extensions, favorable brand attitudes might not be transferred to the brand extension" (Simonin and Ruth 1998, p. 33).

By incorporating categorization theory (Cohen and Basu 1987), Aaker and Keller (1990) suggest that if individuals perceive a similarity or fit between the original and extension product classes, with category-based processing the individual transfers evaluations to the new brand extension [or the new partner]. In short, this is because with category-based processing, an extension evaluation is a function of some overall attitude toward the original brand [or not-for-profit firm]. Because of the prevalence of such opinions under conditions of poor fit, I expect marketing representatives to respond similarly.

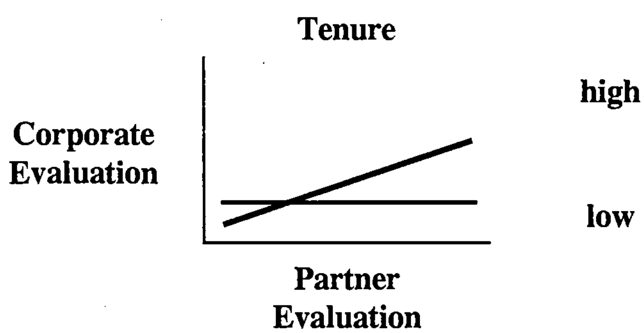
In sum, when marketing employees observe a poor partner fit, less attitude transfer is posited to take place. However, conditions of good partner fit should be conducive to congruent transfer of evaluation. Partnered business and not-for-profit organizations that are perceived to fit, more readily lend themselves to evaluative transfer.

> **H_2: The positive relationship between partner evaluation and corporate evaluation is greater when perceived fit is high than when perceived fit is low.**

Representative Tenure. While a positively evaluated cause-related marketing partner is posited to benefit the participating company with improved, overall representative evaluation, that is not necessarily the case. Partner evaluation is predicted to have benign effects upon veteran representatives' evaluations of their own firm (see Figure 4). Reasonably, veteran marketing representatives know the company well and have chosen to remain with the organization because they like it. Any new information will have only an incremental, additive effect upon their corporate evaluations. However, the results of newer representatives should be different. New marketers will search for information about the corporation and are effected more heavily by any single cue. This follows Barich and Kotler's (1991) argument that evaluations differ even within homogeneous groups such as subunits of marketing representatives within a firm.

FIGURE 4

EMPLOYEE TENURE BY NOT-FOR-PROFIT PARTNER EVALUATION MODERATION EFFECT



The causal direction of the relationship between corporate evaluation and tenure is arguably difficult to disentangle with certainty. On the one hand, employees who have been at a firm for a long time are still around because there is something about the organization that they like. On the other hand, an employee who evaluates the firm positively is more likely to remain with the organization and accumulate tenure. Schneider (1987) proposed that the collective of representatives becomes integrated into the organization through a cycle of attraction-selection-attrition (ASA).

According to the ASA framework, individuals are initially attracted to firms that are appealing. Similarly, firms select candidates who are believed to "fit" the organization. Importantly, Schneider posits that through the attrition process the firm is left with members who have values and interests most similar to the organization.

The increasing individual-organization value congruency can be affected early on by organizational practices. Wiener (1982, p. 424) labels this "expressive organization socialization." Organizational socialization refers to the process by which the values, norms and beliefs of members are brought into similar line with those of the organization (Wiener 1982). The process has been noted for some time in organization history (Levinson 1970).

As a whole, as members' tenure in a corporation increase, their evaluation should be, on average, high and stable. Those representatives who are attracted to and selected by the organization and who do not fit leave voluntarily or are asked to leave. This is germane to the work of Dutton *et al.* (1994) who contend that an employee's firm becomes more attractive as the member's length of tenure increases.

Newcomers to an organization are unsure of their roles and apprehensive about their status. At the same time, they are actively trying to build a self-identity (Mael and Ashforth 1992). The search for identity can be likened to motives in the organization behavior literature including searches for meaning and connectedness in a company (Ashforth and Mael 1989). Representatives search for signals from which to learn.

To alleviate these problems, new representatives attempt to learn policies, culture, norms and so forth. This corresponds to work done by Bullis and Wackernagel-Bach (1991) that found newcomers process information differently than veteran representatives. As representatives begin a career with an organization, they attempt to discover what the organization "is."

Learning can occur directly through training, meetings and internally distributed pamphlets and brochures. Indirectly, individuals actively glean cues from the environment. These cues could include managers' behaviors, peers' responses to situations, or the aggregate organization's actions. More than likely, new members will have the benefit of learning from only education (and not experience yet).

As members spend time in an organization, they increase the breadth of exposure to the overall corporate identity (characteristics that are central, enduring, and distinct). The additional richness of cues allows a broader base from which evaluations are made by the veteran representatives. Veteran members have the advantage of forming evaluations from a myriad of past experiences. Moreover, as prior research has demonstrated, attitudes are relatively stable psychological constructs (Fishbein and Ajzen 1975). Because of this stability, preexisting attitudes toward the company will be highly related to attitudes even after the not-for-profit partner is considered.

Additionally, overall learning from experience has been found to be a more effective means of gaining knowledge. It promotes better retrieval and recall because the individual (e.g., representative) is involved in the learning experience and obtained information is more concrete and salient (Hoch and Deighton 1989). More tenured representatives will have the advantage of having learned more evaluative cues from experience in their career with the company.

On the other hand, new representatives with fewer information reserves must rely more heavily upon the few traits available at hand. Any single action (e.g., partnering with a good/bad not-for-profit firm) is expected to have less effect on the established perceived corporate evaluation of a representative who has many experiences with the firm than it would with a new recruit who has very few experiences. Social identity theorists argue that in the absence of more objective cues, feelings such as affection or pride are correlates of individual's social identifications (Ashforth and Humphrey 1993). In sum, new members not only have fewer cues from which they must rely heavily to evaluate their corporation, they also more willingly use these few available cues to help establish their own identity.

More experienced marketers will not be affected as much by the partner's evaluation since they: (1) should have a higher collective evaluation (per ASA) than the average new recruit, (2) do not feel they need additional cues to evaluate their firm, and (3) selectively attend to fewer informative cues. New marketing representatives, conversely, magnify the impact of partner evaluation. In other words, an attractive partner greatly impacts corporate evaluations positively while a poor partner evaluation greatly impacts corporate evaluations negatively with newer representatives.

> **H_3: The positive relationship between partner evaluation and corporate evaluation is greater when representative tenure in the organization is shorter than when tenure is longer.**

Summary

The purpose of this paper is to explore the influence a not-for-profit organization's evaluation has on a business firm's representatives. In summary, the framework illustrated in Figure 1 enables me to generate three hypotheses that relate the above constructs. A succinct table of hypothesized effects and their illustrated equivalent are demonstrated in Tables 3 and 3.1. I now describe the methodology proposed for testing these effects.

TABLE 3

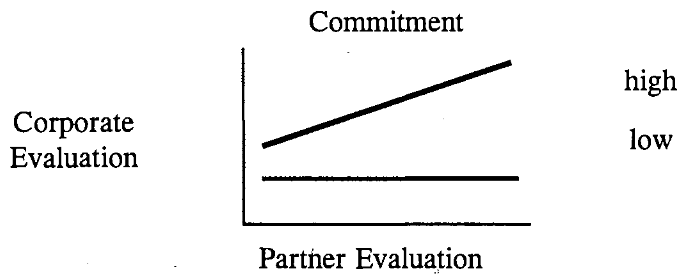
SUMMARIZED TABLE OF HYPOTHESIZED EFFECTS

H_1	**The positive relationship between partner evaluation and corporate evaluation is greater when perceived commitment is high than when perceived commitment is low.**
H_2	**The positive relationship between partner evaluation and corporate evaluation is greater when perceived fit is high than when perceived fit is low.**
H_3	**The positive relationship between partner evaluation and corporate evaluation is greater when representative tenure in the organization is shorter than when tenure is longer.**

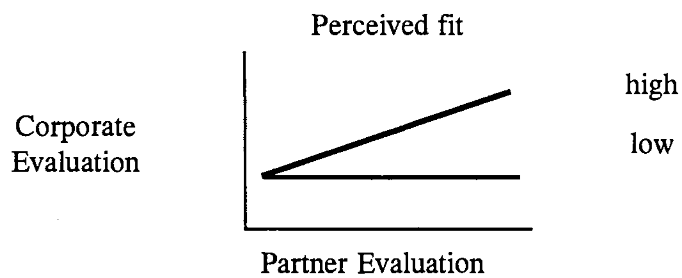
TABLE 3.1

ILLUSTRATIONS OF HYPOTHESIZED EFFECTS

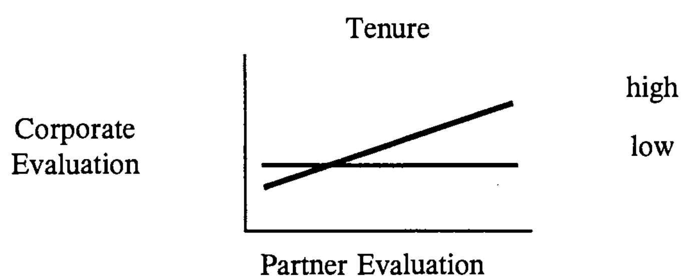
H_1



H_2



H_3



CHAPTER III

METHODOLOGY

Research Objectives

The complete study is designed to answer the research questions: (1) Is there a measurable impact of a cause-related marketing partner's evaluation on a marketing representative's firm evaluation? (2) Does the perception of the firm's commitment to the relationship moderate the effect? (3) Does the perceived fit of the relationship partners alter the effect? and (4) What impact does tenure have within the context of the effect?

Design Overview

Multiple studies (a hybrid design lab experiment and a field survey) were conducted to test whether CSR (manifested through a not-for-profit relationship) influences marketing representatives' evaluations of their organization and the conditions under which this influence is greatest. A mixed between-subjects factorial design was used in a university setting in Study 1. The experiment focused on establishing internal validity and examined research questions 1 - 3 above. Study 2 (the field survey) replicated Study 1 in an actual corporate setting and additionally studied the moderating effect of tenure on corporate evaluation. The second study sought to establish external validity of the model and concentrated on answering research questions 1 - 4 above.

Multiple regression analysis was the multivariate technique utilized for the two main studies. Multiple regression is appropriate for testing main and moderator effects of metric variables and has decision rules that have been employed in previous research (e.g., Nonis *et al.* 1996).

Before initiating the main studies, multiple pretests were performed. Pretests were executed to establish the reliability of measures and to refine tools and techniques used in the main studies.

Pretest Methods

Three pretests were administrated prior to the main studies. A central focus of Pretest 1 was to identify a familiar not-for-profit organization that generated a high degree of evaluation variance. It was designed to determine subjects' perceptions of prospective not-for-profit firm partners and potentially good (and bad) fitting business firm partners. Moreover, it was to help better grasp an understanding of the range of variance associated with global evaluations of not-for-profit organizations.

Pretests 2 and 3 were engineered to test measures of the constructs. Measurement reliability is vital since low reliability reduces the observed size of the coefficient of interaction (Ping 1996). Not only do they make detecting interactions more difficult, but measures of low reliability also cannot be depended on to register main effects (Cook and Campbell 1979). Moreover, the overall questionnaire was tested for readability, believability, and any fatigue factor. Additionally, the scenario (to be used in Study 1) was tested and refined for parsimony and clarity.

Pretest 1

Sample and Procedure. A sample of 22 college student subjects from a public Midwestern university was queried for their opinion on potentially good- and bad-fitting business firm/not-for-profit firm partners. Similar sample sizes have been used in previous research for pretesting (Aaker and Keller 1990; Keller and Aaker 1992). All subjects were enrolled in an upper-division marketing course.

Nonprofit organizations were selected based on their recognition among college students, their noted history and current involvement in business/not-for-profit alliances, and/or their previous use in research with not-for-profit alliances (e.g., Bhattacharya *et al.* 1998). Not-for-profit organizations included: Peace Corps., Children's Miracle Network, World Wildlife Fund, Breast Cancer Research Foundation, National Rifle Association, and Greenpeace.

Measures. Pretest 1 results were collected on a 2-item 7-point Likert scale (1 = "very much disagree" to 7 = "very much agree") that followed each not-for-profit organization. Scale items measured overall organization evaluation. Two open-ended questions also were included after each not-for-profit organization. Subjects were asked to generate the names of both a "good" fitting business partner for the not-for-profit firm and then a "bad" fitting partner for the not-for-profit organization.

Results. Results from Pretest 1 can be seen in Table 4 and Appendix D. Two not-for-profit firms generated a wide range of attitudinal responses: the National Rifle Association and Greenpeace. The two well-known organizations scored variances of 3.665 and 2.219, respectively. In addition, both organizations displayed high levels of controversy (4.773 and 3.773, respectively).

TABLE 4

PRETEST 1 RESULTS

"My overall opinion of the organization is very positive."
(1 = "very much disagree" to 7 = "very much agree")

	Peace Corps.	Children's Miracle Network	World Wildlife Fund	Breast Cancer Research Foundation	National Rifle Assoc.	Greenpeace
MEAN	5.727	5.545	5.818	6.500	3.955	5.136
VARIANCE	0.874	0.831	1.680	0.452	**3.665**	**2.219**
MEDIAN	6.000	6.000	6.000	7.000	3.500	5.000

"This organization is very controversial."
(1 = "very much disagree" to 7 = "very much agree")

	Peace Corps.	Children's Miracle Network	World Wildlife Fund	Breast Cancer Research Foundation	National Rifle Assoc.	Greenpeace
MEAN	2.318	2.455	3.091	1.864	**4.773**	**3.773**
VARIANCE	1.656	1.974	4.182	2.600	3.517	3.041
MEDIAN	2.000	2.000	3.000	1.000	5.000	4.000

Overall, Pretest 1's results agree with the practitioner opinion that children's causes are overwhelmingly positively evaluated with very small variance. In contrast, more controversial organizations tend to exhibit a wider evaluation variance and a generally lower evaluation score.

In general, results from the open-ended questions (Appendix D) were supportive of previous research pertaining to the concept of fit. Particularly, respondents deemed fit to be the union of either similar firms or complimentary firms. "Fit" represented to respondents that the partnered firms (1) were alike or (2) offset each other in the grander scheme of things. A good fitting partner for the National Rifle Association was commonly identified as a firearms manufacturer or hunting/outfitting retailer. The World Wildlife Fund (a popular not-for-profit organization) was often paired with a firm specializing in animal products (e.g., Petsmart) or with an organization that is diametrically opposite (such as Cabella's [hunting] Outfitters). Alternatively, "poor-fitting" partnerships tended to have little congruent link about them, for instance, a Breast Cancer Research Foundation teaming with an auto parts retailer.

Pretest 2

The second pretest was conducted: (1) to test the scenario and questionnaire against the fatigue factor and for readability and believability; and (2) to establish dimensionality and reliabilities of scale measures.

Sample and Procedure. For Pretest 2, an actual business retailer/not-for-profit firm alliance report was adapted from a cause-marketing consulting agency service. A report about a retailer's alliance was recreated and modified into a scenario to fit the study's needs. Twenty-two student respondents (12 male, 10 female — none from Pretest 1) received all material in a packet from a confederate (employee of the fictitious Career Extension Office) who aided the researcher.

In each packet were: (1) the official (though fictional) cover page on university letterhead that explained the purpose of the study, assurance of anonymity, instructions to read the scenario, and instructions to complete the questionnaire; (2) one version of the scenario; and (3) a questionnaire that contained a measure of corporate evaluation; manipulation checks of commitment (high/low), not-for-profit firm evaluation, and perceived fit; a hypothesis knowledge check; demographic questions, and other items.

First, the respondents read the generated scenario about an alliance between Habitat for Humanity (Habitat for Humanity was expected to be well known by respondents and offer a wide evaluation variance) and a business firm. Next, they read a short company profile of a fictitious Mexican style buffet restaurant (the alliance partner) that was said to be interested in establishing a business in the respondents' area. Known companies were avoided in the scenario because of external control problems encountered in previous research (for instance, Javalgi *et al.* 1994; Johnson and Zinkhan 1990).

Key characteristics of the alliance were made salient in the scenario (i.e., fit, commitment, not-for-profit partner firm). No variations of the company profiles were made between subjects. Respondents filled out the questionnaire in the presence of the researcher and were asked to identify any ambiguous scale items and volunteer any comments.

Measures. Whenever possible, established scales were adapted for use from previously published research. Additionally, multi-item measures were incorporated into the study because multiple-item scales tend to increase reliability and decrease measurement error (Churchill 1979).

Respondents provided answers to the criterion variable, the company evaluation, on a 3-item 7-point bipolar scale (adapted from Simonin and Ruth 1998) anchored by the adjectives "unfavorable" and "favorable"; "bad" and "good"; and "not admirable" and "admirable."

The not-for-profit firm evaluation measure was collected on a 6-item 7-point Likert scale where 1 = "strongly disagree" to 7 = "strongly agree." Subjects replied to statements such as: "My overall evaluation of the not-for-profit organization is very high," and "I would consider this a prestigious nonprofit organizations when compared to other similar organizations."

To evaluate the fit construct, respondents answered a three-item bipolar scale adapted from Simonin and Ruth (1998). Sample items are "is consistent" and "is not consistent," and "is complementary" and "is not complementary."

Commitment to the alliance was measured on a 5-item 7-point Likert scale anchored by 1 = "strongly disagree" to 7 = "strongly agree." Items included "It was common to see information about the firm's relationship," and "There was much information provided about the relationship (flyers, memos, management's speeches, newsletters, etc.)."

Pretest 3

Pretest 3 was undertaken to refine tools and measurements, and to develop manipulations for possible use in Study 1. All tools were similar to those used in Pretest 2 but underwent minor retooling to more strongly cloak the experiment as a university survey. Scales with low interitem correlations in Pretest 2 were adapted and retested in Pretest 3 under nearly identical experimental circumstances.

The cover letter text was made to look like a University document (e.g., proper page spacing and academic vernacular). Manipulations were strongly spelled out by adding a letter grade reporting system to the treatments. The system's grades were reported to have been assigned by restaurant industry experts who rated the fictitious company in treatment categories. The restaurant name also was changed from to avoid any ethnicity bias or confounding variables. The previous name had been mistaken with a like-sounding restaurant chain by one respondent in an earlier pretest.

The survey instrument was also refined. Scales were slightly modified to better measure constructs of interest. One pair of corporate evaluation adjectives was replaced with more accurate terms. Greater temporal space was placed between measurements of the dependent variable and the independent variables to minimize artificial relationships.

Another justification to conduct the final Pretest was to further understand the data; the researcher wanted to arrive at quantifiable points where respondents thought fit and commitment occur. For instance, to properly implement high or low levels of corporate commitment treatments (in the form of nonredeployable assets) in the main experiment, the researcher must first understand what respondents perceive to be high and low levels of commitment. The next step was then to manipulate the treatment to bound the mean on the low and high sides to gain a measurable effect.

Sample and Procedure. Pretest 3 scenario/questionnaire packets nearly identical to those used in Pretest 2 were administered by the researcher to fifty-one students (21 male, 30 female). Profiles were presented in a combination of story and descriptive format. Student subjects were asked to read one profile and then to evaluate the fictitious corporation.

Scenario alliance treatments (fit, commitment, partner evaluation) were manipulated in the scenario. The alliance partner (the fictitious AmeriCare) was manipulated as favorable or unfavorable. Using this input, a final draft for Study 1 was completed.

Measures. A change to an 11-point scale occurred as the result of concerns expressed in earlier pretests. The additional points of measurement were believed to help the respondent more clearly express his/her actual feelings.

The measure of fit changed minimally. The scaling of two items was reversed to minimize confusion. Previously, the items had been worded in reverse of other items which might possibly account for poorer item-to-total correlations relative to other Pretest 2 scale items (.5169 and .5538). Two additional pairs of bipolar adjective phrases were now included: "firms go poorly (well) together" and "match doesn't make (makes) sense." These resembled items used to measure fit by brand extension researchers (Aaker and Keller 1990; Smith and Andrews 1995).

The discussion and measure of perceived commitment used earlier were replaced with a treatment and measure that more closely captured the concept of commitment via the amount of nonredeployable resources (both intangible and tangible) invested in the alliance. Recall that perceived commitment was operationalized previously in Pretest 2 more as a visual recognition of the alliance (e.g., posters, internal documents, etc).

Data on the alliance's perceived commitment were gathered on a 7-item 11-point Likert scale anchored by 1= "strongly disagree" to 11 = "strongly agree." Items included "RRG has spent a lot of time and effort to develop products or procedures that would benefit the not-for-profit organization," and "RRG tries to build more value into the relationship by providing special services to the not-for-profit firm."

Manipulations. The predictors fit, commitment, and partner evaluation were manipulated in the scenario while firm profile (number of employees, work quality, employee opportunity for growth and advancement, business recognition, and salary structure) was kept the same for all respondents.

Respondents received a scenario with one of eight treatment descriptions by random assignment. Respondents assigned to the Commitment_{low} version read a scenario that noted the alliance as new and formed by the retailer to appease community leaders who have pressured the company do something good. No resources had been delivered to the partner at the time. Moreover, promised investments were small compared to pledges given from other companies similar in size to the retailer.

Finally, a personal quote from the owner was relayed stating how support of the not-for-profit organization was low priority issue.

In the $\text{Commitment}_{\text{high}}$ scenario, the alliance was intensified beyond a long-term, deeply rooted relationship. The investment of alliance-specific assets was notably high and the amount of pledged, nonsalvageable support materials was well above industry average. Finally, a personal quote from the owner was relayed stating how support of the not-for-profit organization was an important part of everyday operations.

Fit was also manipulated in Pretest 3 (high or low). In the Fit_{high} version, subjects were told that the fictitious business was recognized for its work with a not-for-profit cause in an area in which the firm had expertise. The partnered organizations shared congruent skills and abilities and their markets were similar. To generate a low-fit scenario, the fictitious firm was paired with a not-for-profit firm in a relationship that was incongruous with the business firm's area of expertise. The markets each firm was said to serve was also dissimilar.

Not-for-profit partner evaluation was manipulated to be either high or low. In the $\text{Evaluation}_{\text{high}}$ version, subjects were told that the fictitious not-for-profit firm was recognized for its outstanding work and its efficient use of resources. To generate a low not-for-profit partner evaluation (i.e., $\text{Evaluation}_{\text{low}}$), the fictitious not-for-profit partner was noted for misusing its resources and conducting its operations only outside the U.S.

Following the scenario were letter grade evaluations from industry experts. The letter grades (ranging from 'A' in high conditions and to 'C' in low conditions) were added to each of the manipulations to strengthen the story. For example, respondents who received a scenario that contained the treatment conditions: $\text{Commitment}_{\text{low,}}$ $\text{Fit}_{\text{low,}}$ $\text{Evaluation}_{\text{low}}$ would see letter grades of C,C,C. Respondents who received a scenario that contained the treatment conditions: $\text{Commitment}_{\text{low,}}$ $\text{Fit}_{\text{high,}}$ $\text{Evaluation}_{\text{high}}$ would see letter grades of C, A, A, respectively.

Results. The data of Pretests 2 and 3 signaled positive results and strengthened the belief that the scenario and measures appear adequate for use in the actual studies.

The assortment of items for each of the construct measures was examined by using principal component analysis and item-to-total correlations to assess unidimensionality and reliability. The reliability of each of the scales was estimated by computing its Cronbach alpha (see Table 5). The eigenvalue > 1 rule and the scree rule were used to establish the best fitting items to represent the respective constructs. Factor analysis on each construct's set of items demonstrated high factor loadings.

Manipulation checks of commitment, fit, and partner evaluation demonstrated statistical significance (p = .0066, .0002, and .0057, respectively). However, strong interrelationships between the treatments caused the researchers to contemplate alternative methods of using the predictor variables in a regression analysis technique.

In addition, no major concerns or questions about the survey, its items, or procedures were voiced from the respondents in either pretest. Fatigue was seemingly not occurring. Moreover, no questionnaire was returned incomplete. This led the researcher to believe that the scenario was not overly confusing or difficult to understand by respondents.

TABLE 5

CRONBACH ALPHA RELIABILITY MEASURES OF PRETEST CONSTRUCTS

	Not-for-profit Firm Evaluation	Commitment	Fit	Corporate Evaluation
Pretest 2				
Cronbach $\propto$	.8916	.8516	.6190	.8883
Number of items	6	5	3	3
Pretest 3				
Cronbach $\propto$	.9171	.9562	.9280	.9149
Number of items	6	7	5	3

We also believe the scenario/questionnaire were being viewed as actual university instruments (upholding their guise). Students exerted care filling out the questionnaire as noted by their response to the questions "I tried to make good decisions about the firms in this booklet." and "It was important to me personally to do well on this task." ($\bar{x}$ = 7.12 on an 11-point scale). Additionally, only one subject successfully guessed the actual reason behind the study (< 2%). The scenario was evidently veiling the survey's true reason relatively well.

Study 1 Methods

Study 1 was a hybrid type experiment designed to investigate a cause-related marketing partner's effect on marketing employees. It was the first in the two-step process engineered to address the research questions: (1) Is there a measurable impact of a cause-related marketing partner's evaluation on a marketing representative's firm evaluation? (2) Does perception of the firm's commitment to the relationship moderate the effect? and (3) Does the perceived fit of the relationship partners alter the effect?

Overview

Study 1, like Pretests 2 and 3, used a scenario methodology but now with a hybrid approach. The hybrid design included both a manipulated and measured variable to analyze the impact of not-for-profit firm evaluation on potential hires' evaluation and the conditions under which it is moderated.

While scenario with manipulation was the preferred method of administering all the independent variable treatments in Pretest 3, two variables (partner evaluation and fit) were measured rather then manipulated in Study 1. Interrelationships between manipulated variables had made it difficult to obtain independent treatment effects. Predictor variable measurement was deemed appropriate. Because the images that marketing representatives hold are unique to each member, an individual's evaluations may or may not match the company's collective evaluation. Therefore, within a single firm's collection of members, there exists opportunities to observe variance necessary for measures of significance.

Sample and Procedure. Because of the limited knowledge about the influence that not-for-profit firm evaluation has on marketing representatives' corporate evaluations, the research strategy began with a test under conditions that attempted to control for potential threats to internal validity. Study 1 incorporated 295 undergraduate college students from a large Midwestern university as experiment respondents in a lab-type environment. The experimental method allows for stricter control where researchers are able to implement varying levels of a treatment across a wide range to detect effects (Cook and Campbell 1979). Multiple classes participated for extra credit.

Scenario/questionnaire packets similar to those in Pretests 2 and 3 were administered to respondents by the researcher. In each packet were: (1) the official looking (though fictional) cover page on university letterhead that explained the purpose of the study, assurance of anonymity, instructions to read the scenario and then complete the questionnaire; (2) one version of the scenario; and (3) a questionnaire that contained measures of corporate evaluation, not-for-profit firm evaluation, perceived fit, manipulation checks of commitment (high/low), a hypothesis knowledge check, demographic questions, and other items. Subjects read and completed materials in the presence of the researcher.

Respondents read the scenario containing one particular version of the treatment moderating variable [commitment (high/low)]. An attempt to control for respondents' knowledge of the experimental hypothesis was enacted by deliberately giving all subjects a false story/cover letter. This lends assistance to ruling threats to valid inference (Cook and Campbell 1979).

Measures and Manipulation. The dependent measure of corporate evaluation was obtained with a 3-item 11-point bipolar scale that consisted of items "positive" and "negative," "favorable" and "unfavorable," and "good" and "bad" items.

Not-for-profit partner firm evaluation was measured in Study 1 like in Pretest 2. A not-for-profit firm (the Salvation Army) was utilized in the scenario. The Salvation Army was chosen because of familiarity with the respondents and from knowledge gained in Pretest 1. From the first Pretest, researchers learned that a not-for-profit firm like the Salvation Army would most likely generate an acceptable range of evaluation responses (from neutral to very well liked).

The measure of not-for-profit partner evaluation was an 11-point Likert scale (1 = "strongly disagree" to 11 = "strongly agree") on three evaluative items. Items included: "Overall, I evaluate the Salvation Army really positively," "I think of the Salvation Army in a very favorable way," and I think the Salvation Army is a good organization compared to other similar organizations."

Fit was also measured in Study 1. Pretest results illuminated the difficult nature of manipulating the construct. The measurement of the perceived fit variance (from low fit to high fit) was deemed the proper alternative. To measure fit, respondents answered a five-item bipolar scale adapted from Simonin and Ruth (1998) and Keller and Aaker (1992). Sample items included "is not consistent" and "is consistent" and "is not complementary" and "is complementary."

The remaining independent variable, perceived commitment to the not-for-profit firm was manipulated (low/high). Respondents received a scenario with one of two descriptions by random assignment to meet the assumption of independence of respondents. Any individual scenario captured one of the following combinations: (1) $\text{Commitment}_{\text{low}}$ or (2) $\text{Commitment}_{\text{high}}$.

Respondents assigned to the $\text{Commitment}_{\text{low}}$ version read a scenario that mentioned assets and resources destined for the alliance are transferable and the promotional materials are reversible costs. Top management grudgingly entered the arrangement only after strong pressure from the outside community. No resources had yet been promised to the Salvation Army. Contrarily, in the $\text{Commitment}_{\text{high}}$ scenario, the investment of alliance-specific assets is noted as very high (well above industry average) and the amount of nonsalvageable, resources was discussed as being irreversible. Management was said to be positive about the alliance and proactively entered into the relationship. The grading system developed in Pretest 3 was used. It rated the commitment as either an 'A' (under $\text{Commitment}_{\text{high}}$) or an 'F' (under $\text{Commitment}_{\text{low}}$).

A hypothesis knowledge check that asked respondents to guess the nature of the study was then included. Standard demographic questions about the subjects' age and gender were asked next. In addition, two items were included to assess the respondent's level of task involvement. These latter questions gauged the amount of care taken to complete the questionnaire. Respondents were asked answer two questions by circling the most appropriate number (1 = strongly disagree and 11 = strongly agree): (1) "I tried to make good decisions about the firms in this booklet," and (2) "It was important to me personally to do well on this task."

Manipulation check of the alliance's perception of commitment was gathered on a 6-item 11-point Likert scale anchored by 1 = "strongly disagree" to 11 = "strongly agree." Similar scales are found in the relationship commitment literature (e.g., Heide and John 1988; Morgan and Hunt 1994). Examples of items included "If my company decided to support another cause, it would lose a lot of the investment it has made in this alliance," and "My organization has invested a great deal in building up this alliance."

Because of the myriad of factors involved in corporate evaluations, it was anticipated that, while cause-related marketing partner evaluation contributes positively to organization evaluation, its effect might not be easily detected, threatening statistical conclusion validity. Moreover, for smaller samples, the sophistication and complexity of the multivariate techniques can easily result in too little statistical power (Type II error) for the test to realistically identify significant results. Adequate power is vital to ensure that the proper precautions are taken to avoid finding false negatives (e.g., not-for-profit partner firm evaluation has no effect on internal members' evaluations of the organization). A conservative level to satisfy all regression procedures recommends a level of 50 subjects for every 1 predictor variable (Hair *et al.* 1995); $\propto$ was maintained at the traditional 0.05 level of statistical significance.

Study 1 Results

Multiple regression analysis was the statistical method chosen to study the effect of the selected variables on corporate evaluation. When assumptions are met, the coefficient estimates provide lucid pictures. However, in survey research one or more of the assumptions are likely to be violated (Hair *et al.* 1995). Without correction, these violations could produce useless or even misleading results (Berry and Feldman 1985).

The multiple regression assumptions necessary for the best linear unbiased estimate (BLUE) are discussed in the next section. This is followed by an assessment of measures and finally the tests of hypotheses.

Meeting Regression Assumptions

The beginning of the systematic process of addressing assumptions concerns resulted in the exclusion of two questionnaires because of incompleteness. The questionnaires were excluded keeping in mind that it is the researcher's belief that all cases should be retained unless there is demonstrable proof that the responses are aberrations and not representative of the general population.

The first analysis in Study 1 evaluated the underlying assumptions of the data and the technique. Before any model estimation was attempted, the researcher ensured that multiple regression's statistical assumptions were met. The researcher examined: (1) specification error, (2) outlier influence, (3) missing data impact on the analysis, (4) random measurement error, (5) normality of error, and (6) multicollinearity.

Specification error occurs when a regression model is estimated with the wrong independent variables. Either one or more variables that belong in the model are omitted or variables that do not belong have been mistakenly included. As discussed in Chapter II, extensive theory development contributed to building the study's regression model. While a model grounded in the complex social sciences might likely be improved with the addition of more variables, the so-called improvement would surely come at the expense of parsimony and managerial relevance.

Second, influential outlying observations (having a disproportionate impact on the regression results) were identified. Studentized residuals were examined to detect observations that were outliers on the dependent variable corporate evaluation. A priori, cases were determined to be removable, influential outliers only if they exhibited studentized residuals greater than ± 3 standard deviations <u>and</u> exhibited leverage greater than the centered mean leverage. The latter test indicates that the observation carries a disproportionate weight in determining its predicted dependent variable value (Hair *et al.* 1995). Two observations met these criteria and were eliminated.

Missing item data can impact multiple regression results. Rather than relying on the statistical procedure of eliminating the construct if respondents failed to mark one or more of their item measures, the researchers introduced a sound, data saving technique. This method of managing missing data involved mean substitution. A widely used method, this replaces missing item values in a construct with the mean value of that item based on all valid responses. In other words, other collected responses are used to calculate the replacement value. As a heuristic, it was asserted a priori that a case had to have at least two-thirds of its variables on every scale before it was eligible for the replacement value technique. Five surveys were affected and saved from an otherwise conservative, and unnecessarily severe, elimination.

Random measurement error is one of the most important methodological problems facing the social sciences. It is defined as “error introduced into indicators that is unsystematic noise” (Berry and Feldman 1985, p. 26). If measures are inaccurate, then estimates are likely to be inaccurate. Error could have been introduced into measures in two ways in Study 1: subjects might have found response categories vague or data entry errors could have generated measurement error.

Proactive attempts were made prior to the study to combat measurement error. Subjects likely didn’t find response categories vague because established scales were used and multiple pretests established clarity of items. Likewise, no particular items loaded poorly in unidimensional or reliability testing which indicates no single item as troublesome. Finally, data entry errors are likely discounted because data were professionally entered by a trained specialist. Printed data results were then checked by examining the entered figures with random samples of the original questionnaire responses.

Normality of error is perhaps the most frequently encountered assumption violation (Hair *et al.* 1995). The simplest test for the set of predictor variables is a histogram of residuals with a visual check for approximately normal distribution (see Figure 5A). A second method is the use of normal probability plots (see Figure 5B). The normal distribution is compared with standardized residuals. Both plots (Figures 5a and 5b) lead the researcher to conclude error is normally distributed in Study 1.

FIGURE 5A

STUDY 1 DISTRIBUTION

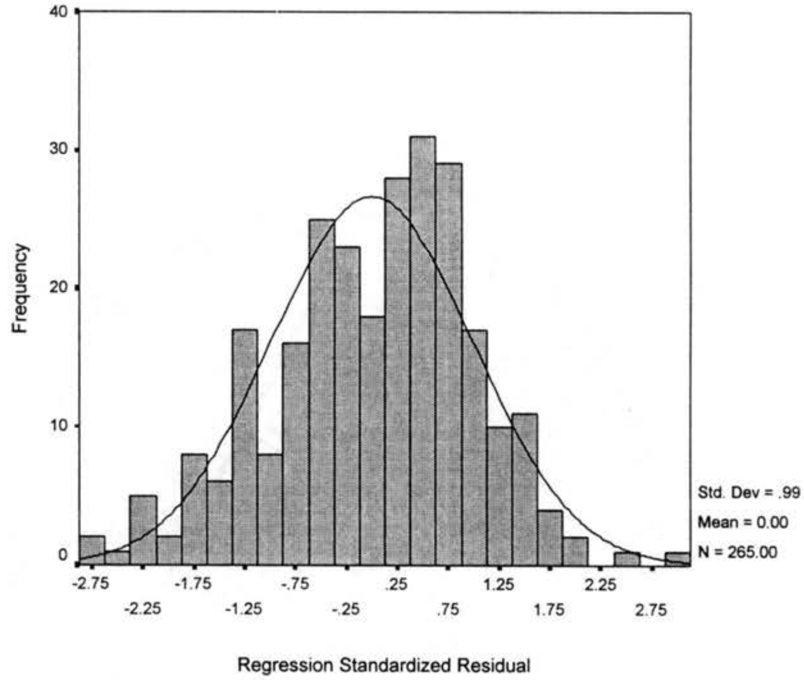
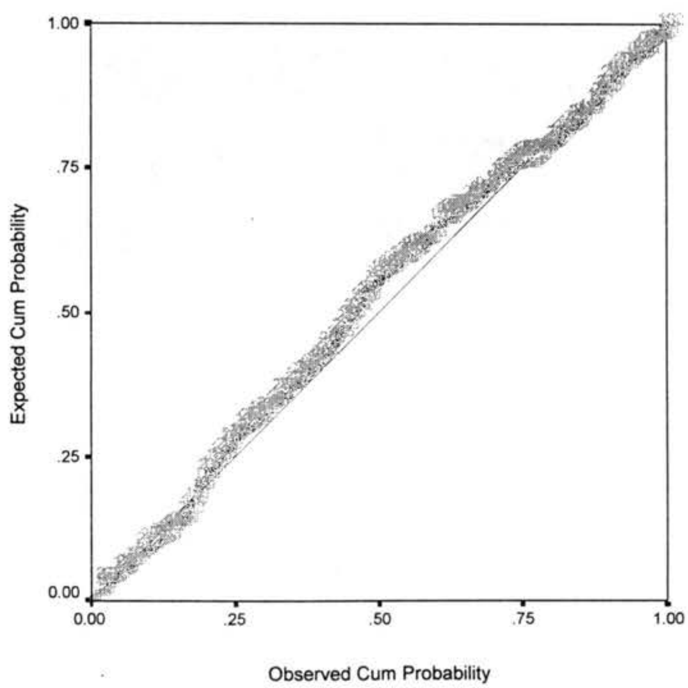


FIGURE 5B

STUDY 1 NORMAL PROBABILITY PLOT



For multiple regression to produce the best linear unbiased estimates (BLUE), it must meet the bivariate regression assumptions above, plus one additional point — the absence of perfect multicollinearity (Lewis-Beck 1980). None of the independent variables can be perfectly correlated with another independent variable or linear combinations of other independent variables.

In the social sciences the independent variables are almost always intercorrelated. The issue "is never one of multicollinearity either 'existing' or 'not existing'" (Berry and Feldman 1985). When perfect correlation between predictors exists, it is impossible to arrive at a unique solution for the least squares parameter estimates (Lewis-Beck 1980). It makes determining the contribution of each predictor difficult because the effect of each independent variable is confounded (Hair *et al.* 1995). Therefore, researchers can have little confidence that a particular estimate reflects the accurate impact of the variate on the criterion variable.

To minimize higher correlations, an additive transformation was performed (i.e., centering) by subtracting the mean of each predictor (e.g., $\bar{x}_1$) variable from each observed case (e.g., x_1). Different authors (Aiken and West 1991; Cronbach 1987; Jaccard *et al.* 1990; Ping 1996) strongly suggest centering to address the potential problem of multicollinearity.

Centering yields low correlations between the product term and its component parts. In Study 1, the variables perceived fit and partner evaluation were centered (i.e., deviation scores were formed) and the product of the centered scores was computed for each subject. Moreover, centering of the independent variables does not sacrifice model predictability or explanatory power. However, it can improve the clarity of the structural relationship within the regression model by providing more reliable parameter estimates (Lewis-Beck 1980).

No tests that provide irrefutable evidence that multicollinearity is or is not a problem, but there are warning signals that indicate a problem (Jaccard *et al.* 1990). Two methods of assessing multicollinearity are (1) the tolerance value that falls below .10 and (2) the variance inflation factor that exceeds a value of 10 (Hair *et al.* 1995).

Tolerance and variance inflation factors for the raw and standardized predictors are shown in Table 6. Standardized predictor values are shown in parenthesis. As the table shows, high degrees of multicollinearity exist for product terms in the regression equation (i.e., not-for-profit × commitment interaction and not-for-profit × fit interaction). A shortcoming of tolerance and VIF measures is that the researcher is unable to determine from where the collinearity is coming.

TABLE 6

MULTICOLLINEARITY VALUES FOR RAW (CENTERED) PREDICTORS FOR STUDY 1

Variable	Tolerance		VIF	
Partner Evaluation	.973482	(.410771)	1.027	(2.434)
Commitment	.810114	(.792593)	1.234	(1.262)
Fit	.793227	(.758359)	1.261	(1.319)
Not-for-Profit × Commitment	.029538	(.860931)	33.855	(1.162)
Not-for-Profit × Fit	.045690	(.403047)	21.886	(2.481)

The most dramatic correction occurs with the two moderator terms. The large tolerance values for the raw numbers (and inversely, the small VIF values) tell us that both moderator predictors are explained by other independent variables before centering. This is likely the result of high correlation between the product term (interaction) and one or more of its component parts. After centering though, the duplicative nature of the moderators is greatly lessened. Centering the independent variables (results shown in parenthesis) corrects the multicollinearity problem as revealed in the table.

The most commonly used test to assess which variables are intercorrelated is the inspection of the bivariate correlation matrix (see Table 7). This table is used to examine for a perfect correlation between all pairs of independent variables and between interaction products and their component, independent variables. The lower left section (bolded numbers) reflects uncentered variable correlations.

As Table 7 demonstrates, high degrees of correlation exist between both interactive terms and their component parts. The not-for-profit partner evaluation × fit term is correlated with the fit term at .905. Likewise, the not-for-profit partner evaluation × commitment term is correlated with the commitment term at .947.

The upper right section of the table shows the centered correlations after an additive transformation was performed. Note that the uncentered variable correlations in bold and the centered variable correlations (with bold removed) in Table 7 are drastically different. A multiple regression analysis using SPSS computer software was then conducted using the new, centered components as recommended by regression experts (e.g., Aiken and West 1991).

TABLE 7

CORRELATIONS BETWEEN STUDY 1 VARIABLES: RAW BELOW DIAGONAL, CENTERED ABOVE

	N-f-p Eval.	Commit.	Fit	N-f-p Eval. × Commit.	N-f-p Eval. × Fit
N-f-p Eval.	----	.076	.163	.740	.091
Commit.	**.076**	----	.436	.049	.168
Fit	**.163**	**.436**	----	.222	.202
N-f-p Eval. × Commit.	**.310**	**.947**	**.477**	----	.547
N-f-p Eval. × Fit	**.531**	**.411**	**.905**	**.131**	----

Sample

Upon completing the test of assumptions, Study 1 was left with 267 usable and complete questionnaires (90%). Respondents were familiar with the language as indicated by the high percentage of U.S. citizens. The age structure was typical of a university-derived sample and gender distribution was generally even in representation (see Table 8).

Moreover, response validity generated from subjects' reactions to the scenario was presumably maximized. First, the official documentation, story, and vernacular that had been engineered and refined in pretests were utilized in Study 1. Second, very few subjects (less that 1 percent) were familiar with the region of the country from which the fictitious business was located. Therefore, the large majority of respondents

TABLE 8

STUDY 1 SAMPLE PROFILE

Citizenship	Age	Gender	Location	Task
U.S. (88.1%)	≤ 20 (36.3%)	Female (44.9%)	SW U.S. (0.8%)	$\bar{x}$=8.625
Other (11.9%)	21-30 (59.6%)	Male (55.1%)	Other (99.2%)	Median=9.0
	31-40 (2.6%)			
	41-50 (.7%)			
	51-60 (.4%)			
	≥61 (.4%)			

were unable to generate any questions about the true existence of our dependent variable organization. As important, the lack of familiarity encouraged the researcher to feel that the subjects were unable to rely on preconceived attitudes toward the criterion variable, making the variable sensitive to only Study 1's treatments.

Subjects reportedly exerted great effort in the task of filling out the (fictitious) Career Extension's survey. Eighty-five percent of the subjects responded that they spent an "average" or "above average" amount of effort completing the questionnaire. The care taken on the task of answering the questionnaire registered an average 8.625 (on an 11-point scale). The hypothesis check indicated even more support for the successful veiled scenario. Only 2.6 percent of the sample guessed the nature of the Study 1. These latter questionnaires were eliminated from further analysis.

Reliability Tests

Measures must be reliable or statistical conclusion validity is threatened. Not only does low reliability make detecting interactions more difficult (Ping 1996), but it also cannot be depended upon to accurately register main effects (Cook and Campbell 1979). To ensure the quality of measures, established scales were selected initially. Moreover, measures were refined through multiple pretest studies to correct for low reliability.

The recommended measure for internal consistency is coefficient alpha (Churchill 1979). Tests were performed in earlier prestudies leaving Study 1 with generally reliable measures.

Reliability coefficients for Study 1 measures are presented in Table 9. All measures are within acceptable range. The reliability coefficients for the measures exceed values of .80, indicating high internal consistency for each set of items (Nunnally and Bernstein 1994). The coefficient alphas ranged from .8457 to .9116.

TABLE 9

RELIABILITY COEFFICIENTS FOR SCALES IN STUDY 1

Scales	Cronbach's Alpha
Corporate Evaluation	0.8655
Not-for-profit Firm Evaluation	0.9116
Commitment	0.8457
Fit	0.9053

Factor analysis was used to determine the degree to which scale items reflected the particular concept's dimensions. Unidimensionality was tested with principal components factor analysis. Factor items were subjected to latent root criteria. All successfully met the eigenvalue greater than 1.0 criteria. Each construct formed a single factor. The latent root test criterion indicated that the respective items construed the expected factors. Tests of Study 1 hypotheses were next conducted. The statistical analysis methods and statistical findings for each interaction hypothesis are presented in the following.

Tests of Hypotheses for Study 1

The test of significance of $\mathbf{H_1}$ and $\mathbf{H_2}$, the interaction effects in the model, were accomplished by means of hierarchical regression using SPSS software. Hierarchical regression is often used in determining whether adding one or more variables (e.g., $\mathbf{H_1}$ and $\mathbf{H_2}$ interaction terms) to an existing multiple regression equation significantly helps explain variance in the criterion variable (e.g., corporate evaluation).

First, a main-effects-only model was calculated by regressing corporate evaluation onto the independent measures of not-for-profit partner firm evaluation, the manipulated dummy variable commitment, and the measure of fit. Second, a full multiple regression model was conducted, regressing corporate evaluation onto all variables in Table 7 including the interaction terms important to the hypotheses.

The full multiple regression model used to assess the relationship in equation form follows:

$$Y = B_0 + B_1 X_1 + B_2 X_2 + B_3 X_3 + B_4 X_1 X_3 + B_5 X_1 X_3$$

where Y = the mean of the three-item, semantic differential corporate evaluation scale. X_1 = the mean of the three-item Likert-type not-for-profit partner evaluation scale. X_2 = the dummy variable representing the experimental commitment treatment (0 = low commitment and 1 = high commitment). X_3 = the mean of the three-item semantic differential-type fit scale. X_1X_2 = the product of the interaction between the three-item Likert-type not-for-profit partner evaluation scale and the experimental commitment treatment. X_1X_3 = the product of the interaction between the three-item Likert-type not-for-profit partner evaluation scale and of the three-item semantic differential-type fit scale.

Technically, the null hypothesis being tested is that the regression coefficients for the interactions terms (not-for-profit firm evaluation $\times$ commitment and not-for-profit firm evaluation $\times$ fit) are zero in the population; the interaction effects fail to significantly contribute to explaining variance in corporate evaluation beyond what the main effects model alone explains. Rejection of this statistical null hypothesis is consistent with the notion that an interaction is present.

If the change in R^2 is statistically significant, then this is consistent with the presence of a moderated relationship. Either $\mathbf{H_1}$ (the moderated relationship between perceived firm commitment and cause-related marketing partner evaluation), $\mathbf{H_2}$ (the moderated relationship between the perceived fit and cause-related marketing partner), or both $\mathbf{H_1}$ and $\mathbf{H_2}$ is/are explaining a significant amount of variance in corporate evaluation. The incremental explained variance is typically evaluated by subtracting the squared multiple correlation (R^2) in the original equation from the squared multiple correlation in the full equation (Jaccard *et al.* 1990).

The change in R^2 is statistically significant (0.000) leading us to reject the null hypothesis according to Table 10. We can conclude that an interaction is present. A moderator effect lends statistically significant explanatory power to the additive model. Either $\mathbf{H_1}$, $\mathbf{H_2}$, or both $\mathbf{H_1}$ and $\mathbf{H_2}$, might be contributing significant explanation to the dependent variable corporate evaluation.

TABLE 10

STUDY 1 REGRESSION RESULTS

Multiple *R*	.5776	DF	5, 265
R^2	.3336		
F	25.9360		
Significant *F* Change	.0000		

Variable	***b***	***Beta***	***SE b***	***t***	***Sig t***
Not-for-profit Eval.	-.0208	.0248	.0664	-.314	.7537
Perceived Commit.	1.637	.4945	.1886	8.680	.0000
Fit	.0876	.1170	.0436	2.009	.0456
N-f-p Eval. × Commit.	.1856	.1632	.0908	2.043	.0421
N-f-p Eval. × Fit	-.0186	-.0463	.0220	-.847	.3978
Constant	6.940	.1292		58.701	.0000

The next item to assess in Study 1 is how well the data fit the model — the goodness-of-fit. The squared multiple correlation was .3336 in Study 1, which indicates the proportion of variance in the ratings of overall attitude toward the corporation that could be accounted for by the linear combination of the five variables.

In the case of Study 1, the regression variate is explaining approximately 33 percent of the variance in corporate evaluation (see Table 10).

The standardized and unstandardized regression coefficients are presented in the lower half of the table. An unstandardized coefficient (*b*) reflects the number of units that corporate evaluation is predicted to change given a one-unit change in the independent variable in question holding all other independent variables constant. The standardized coefficients (*Beta*) are subject to the same form of interpretation, but in terms of standard scores rather than raw scores.

The column in the table labeled "*t*" indicates the test for the null hypothesis that the corresponding regression coefficient equals zero. The value of "*t*" signifies the coefficient divided by its standard error. As a rule of thumb, values over 2.0 will result in a statistically significant slope (Jaccard *et al.* 1990). The final column, labeled "*Sig t*" shows the p value of the t statistic.

In Study 1, three regression coefficients are statistically significant — commitment, fit, and partner evaluation × commitment. Respectively, these three coefficients register a [$t = 8.680, p < .0000$], [$t = 2.009, p < .0456$], and [$t = 2.043, p < .0421$]. The full model in regression equation format follows. Asterisks indicate statistical significant at $\propto = .05$.

$$Y = B_0 + .0248X_1 + .4945X_2^* + .1170X_3^* + .1632X_1X_4^* - .0463X_1X_5$$

Specifically, the model spelled out to include construct measures is next.

$$\begin{aligned} Y \; = \; & B_0 + .0248 \text{ Not-for-Profit Evaluation} - .4945 \text{ Commitment}^* \\ & + .1170 \text{ Fit}^* + .1632 \text{ Not-for-Profit Evaluation} \times \text{Commitment}^* \\ & - .0463 \text{ Not-for-Profit Evaluation} \times \text{Fit} \end{aligned}$$

In the following, each hypothesis is discussed.

Hypothesis 1

Test of Hypothesis 1: The positive relationship between partner evaluation and corporate evaluation is greater when perception of firm commitment is high than when perception of firm commitment is low.

$\mathbf{H_1}$ proposed that the positive relationship between partner evaluation and corporate evaluation is greater when perception of firm commitment is high than when perception of firm commitment is low.

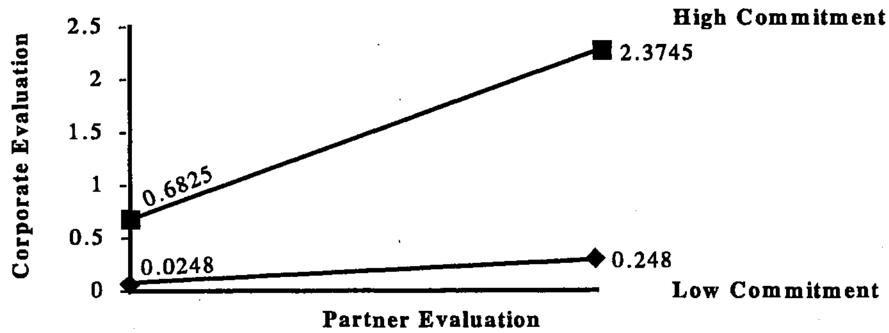
Substantive theory specified that the outcome, marketing representatives' corporate evaluation depended jointly on the values of commitment and not-for-profit firm evaluation. Table 10 reveals a significant interaction effect with this product ($t = 2.043, p < .05$). These results indicate the effect that not-for-profit evaluation has on corporate evaluation depends on the representative's perceived evaluation of the business firm's commitment.

The significant interaction indicates that there is a different line for the regression of corporate evaluation on not-for-profit evaluation at the two levels of perceived commitment. To understand the nature of the significant moderator effect, the researcher calculated the slope of partner evaluation on corporate evaluation for each of the two levels of commitment.

The not-for-profit firm evaluation $\times$ commitment interaction appears in Figure 6 like a fan when plotted at the two levels of commitment and along various points of not-for-profit firm evaluation.

FIGURE 6

STUDY 1: SIMPLE SLOPES FOR HYPOTHESIS 1



An ordinal moderating effect is clearly represented in the Figure 6. An ordinal interaction is one in which the regression lines are nonparallel, but they do not intersect within the range of scores being studied as predicted (Jaccard *et al.* 1990). For any given pair of nonparallel slopes, there is always a point where the lines will intersect.

At least one interaction term was found to be present as indicated by the significant change in R^2. $\mathbf{H_1}$ was accepted as the product term's parameter estimate was found to be significant. A moderator effect existed between not-for-profit evaluation and the perceived level of commitment. Next, it must be determined if the $\mathbf{H_2}$ interaction (not-for-profit partner evaluation $\times$ fit) exists as well.

Hypothesis 2

Test of Hypothesis 2: The positive relationship between partner evaluation and corporate evaluation is greater when perception of fit is high than when perception of fit is low.

H_2 proposed that the positive relationship between partner evaluation and corporate evaluation is greater when perception of fit is high than when perception of fit is low.

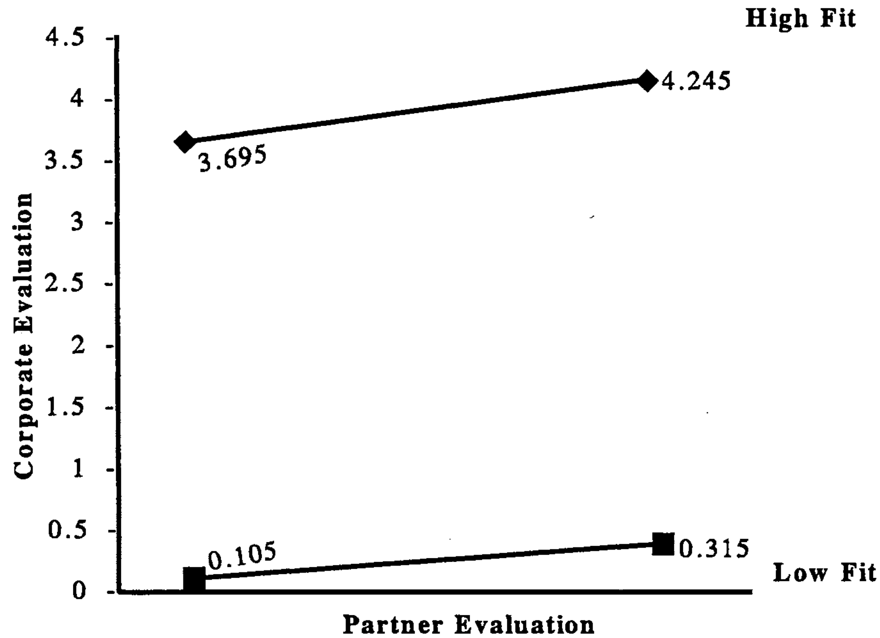
To examine the question of rejecting or accepting the second hypothesis, the researcher utilized the significance test for the interaction of not-for-profit evaluation by fit. The *t*-ratio, printed in Table 10, provides an efficient means of testing **H_2**. As a rule of thumb, a *t* of greater than two typically leads the researcher to reject a null hypothesis (Lewis-Beck 1980). For the **H_2** interaction, the *t*-ratio falls short and consequently is not ruled significant [$t = -.847$]. The *p* value of the *t* statistic further indicates failure to reject **H_2** [$p < .3978$]. A visual representation of the nonsignificant interaction between simple slopes is shown in Figure 7.

Several possible reasons why exist for explaining the moderator's parameter estimate was not significant. Because all regression assumptions have been met earlier, other explanations can be reviewed: 1) inadequate sample size and 2) the interaction doesn't explain corporate evaluation variance. Below, these possibilities are briefly discussed.

As sample size increases the coefficient under examination is more likely to be found significant. As recommended by Hair *et al.* (1995), a conservative 50-to-1 ratio of respondents-to-predictor variables was generated for the sample. Inadequate sample size is seemingly not problematic.

FIGURE 7

STUDY 1 SIMPLE SLOPES FOR HYPOTHESIS 2



Aside from a sample size problem, *b* may not appear to be significant because the equation misspecifies the relationship between X_1X_3 and corporate evaluation. Rather than the two component terms exercising conditional effects on corporate evaluation, it may be found that each or both exert a constant effect on the criterion variable.

After ruling out the presence of a conditional effect of the X_1X_3 predictor (not-for-profit evaluation × fit), the researcher next analyzed the constant effect of fit on corporate evaluation (not-for-profit evaluation was already found to exert a conditional effect with commitment so could not be analyzed further as a constant main effect). The similar holds for the direct (and significant) commitment effect. While the *b* coefficient is significant ($t = 8.680, p < .0000$), it cannot represent a main effect because it was previously found to exert a conditional effect on corporate evaluation.

It was necessary to partial the component independent variables of the product term from the term itself after evaluating (unsuccessfully) for the presence of the moderated relationship. A product term such as not-for-profit partner evaluation × fit "represents a complex amalgamation of variance due to 'main effects'" (Jaccard *et al.* 1990) and the component term fit needed to be analyzed for its contribution to the variate. Results can be seen in Table 10 and the *b* coefficient is also represented in the earlier regression equation.

Even though the interaction effect of not-for-profit partner × fit failed to explain a significant amount of variance on corporate evaluation, the main effect of fit contributed significantly in the variate [$t = 2.009, p < .0456$]. A main effect of fit argues that perceived fit asserts a constant effect on the dependent variable corporate evaluation.

The *b* coefficient represents the regression of corporate evaluation on fit holding all other variables constant. Assuming variables are held at their means, a one unit increase in the employees' perceptions of fit will result in a notable increase of .117 standard units of corporate evaluation. Therefore, the significant and positive direct effect of fit is constant and dependent on no other construct in the regression equation.

Study 1 Discussion and Conclusions

In this section, the research findings of Study 1 are summarized and discussed. Public policy and managerial implications are presented, limitations are identified and directions for future research are addressed.

Study 1 generally supports the hypothesized statements that prospective marketers' perceptions of their firm's involvement with a cause-related marketing partner affected their corporate evaluation. The study found that the organization's active involvement with cause-related marketing was an important determinant of representatives' global affective evaluations of the company. More than 30 percent of the variation in corporate evaluation was explained by the hypothesized variables.

As Study 1 demonstrates, a good partner evaluation is most beneficial under conditions when marketing representatives perceive high levels of commitment from their firm. Under this condition, corporate evaluation is highest. Conversely, under conditions of low perceived commitment, partner evaluation was not a major factor. As a manager, it is important to stress the level of commitment when aligned with highly valued causes.

Fit also yielded a positive but constant effect on corporate evaluation. As potential marketing representatives perceived greater levels of fit between the firms in the relationship, their affective evaluation of the corporation improved. Firms that entered into better fitting relationships were more highly evaluated.

The general implication is that marketing managers who are concerned about how their organization is viewed should pay attention to the [not-for-profit] company it keeps, the treatment of the partnership, and the fit between the firms. Internal stakeholders most attend to these signals when evaluating cues about their own organizations.

Implications

The results of Study 1 have many timely and useful implications for public policy makers and marketing managers.

Public Policy Implications. At a time when government investment in the public sector is scaling down, corporations have discovered the positive consumer responses of filling this void. By assuming a greater social responsibility as corporate citizens, firms have seen consumers respond generously. Study 1 yielded results that broadened our view of the number of stakeholders known to be affected by cause-related marketing. Doing good social deeds can affect a firm's "doing well" with more key stakeholders.

Study 1 demonstrates that internal stakeholders evaluate the firm's decisions regarding a cause partner. Perceived commitment to the relationship impacts the marketing representative's evaluations. How positively the not-for-profit firm is evaluated also affects a representative's corporate evaluation. However, corporate evaluations are the result of a conditional effect. If internal marketers are not aware of the depth of commitment, the not-for-profit partner evaluation has little effect on corporate evaluation. As commitment becomes more salient, the positive value of the nonprofit partner becomes more critical. Firms doing good should promote their depth of commitment. That way good firms will benefit society and be rewarded for their socially responsible role.

Moreover, the perception of the fit between not-for-profit partner and the prospective boundary spanner's firm yielded a constant positive effect on corporate evaluation. This main effect might be understood if we consider the possibility that respondents used fit as a proxy for the corporate management's ability. An established axiom states "good firms are made up of good managers." It would not unlikely be that respondents psychologically weighed the business intelligence of the decision to work with a good- or bad-fitting partner. The perceived fit evaluation then influenced the global evaluation of the entire firm. In other words, a perceived good fit leads to an evaluation that the company's management must possess some good (intelligent) attributes. A firm with good managers must be a good company.

Managerial Implications. Although it is a leap to say that satisfied employees are consistently productive workers, research drawn from different disciplines suggest that low morale and discontent among representatives can cause problems for marketing managers. For instance, just consider the cost and difficulty in attracting and keeping good employees. Good corporate evaluations make all these tasks more manageable. Affecting corporate evaluations then is at the forefront of managers' agendas.

The results of Study 1 indicate that prospective marketing representatives' corporate evaluations are affected by their perceptions of the firm's choice of not-for-profit partner and its commitment to the relationship. Additionally, the perception of fit explains a significant amount of variance in corporate evaluation. Marketing managers can use this information to convey their firm's good deeds to not only consumers, but also to internal members.

If marketing managers choose to effect corporate evaluations, they need to not only choose not-for-profit firms with which internal stakeholders hold a favorable opinion, but also take credit for deep resource commitments made by their firm. Moreover, marketing managers should exert effort searching for firms that fit with their line of business or actively communicate to internal marketers why a fit exists.

Limitations

The purpose of Study 1 was to examine the link between not-for-profit partner evaluations and the marketing representatives' own firm's evaluations. Additionally, we examined several moderating conditions under which this effect might be altered. While the data fit the model relatively well, caveats need mentioning. The limitations are presented in the following.

Study 1 focused on only U.S. respondents. While this exists as a limitation today, it lends itself to future research. Primarily, extending this study across international borders would be an exciting and elucidating move to extend this research. This work can provide the foundation for future studies using respondents from outside the U.S.

With regard to sampling of subjects, a limitation should be addressed. Namely, the sample consisted of student subjects. However, all subjects were solicited from upper-division marketing courses. Moreover, these near-future marketing representatives were queried on questions that could be validly answered by individuals such as themselves. Specifically, these upper division students responded as prospective marketing employees evaluating prospective corporate employers. While innumerable studies use atypical populations like students selected on a nonrandom basis, it is not a purist's [methodological purist's] recommendation.

Additionally, the first study is susceptible to generalizability criticisms. However, the use of scenarios as the experimental manipulation is a methodology that attempts to overcome the difficulty of reconciling objectivity and artificiality. Its usage is supported by work in script theory.

Script theory rests on the assumption that when an individual perceives an experience as representative of a certain script, s/he will evoke the thought processes of past decisions associated with this script. When subjects have had experiences similar to the scenario in the experiment, research has shown that subjects will recall stored experiences linking the scenario with appropriate remembrances (Hawes *et al.* 1996). Therefore, individuals respond to a developed scenario in a similar manner as they respond to a like (and actual) experience. In short, respondents' answers to a well-developed and believable scenario can be reasonably generalized to actual behavior.

Study 2 Methods

Study 2 was a field survey of marketing representatives recruited from a major direct marketing firm aligned with a national not-for-profit partner organization. The external validity focus strengthens the overall study. It was designed to replicate and increase generalizability of the findings of Study 1 and extend the study to include marketing representative's tenure as a moderating variable.

Overview

While Study 1 was conducted in a partially-closed system where the environment was controlled as much as possible to forcibly exclude undesired contingencies (Cook and Campbell 1979), Study 2 recognized that disturbing contingencies and alternative causes are greater in number and more difficult to control. Many sample size concerns addressed in Study 1 continued to exist in Study 2. They were amplified due to difficulties in obtaining interactions when survey variables are normally distributed (McClelland and Judd 1993).

Sample and Procedure. Study 2 drew its sample from current marketing representatives within a firm involved with a cause-related marketing relationship. An important consideration in selecting this setting was the likelihood of capturing knowledgeable marketing representatives who could evaluate well-known not-for-profit organizations and their own corporation.

Since the questionnaire addressed marketing representatives' assessment of their organization's not-for-profit relational partner, the survey was sensitive to the representatives' knowledge level of the alliance. Data accuracy, in part, was dependent upon the representative's ability to answer questions about the relationship.

The knowledgeability requirement suggested by Campbell (1955), was addressed with two steps. First, only a firm participating in a business/not-for-profit firm alliance was enlisted. This was done in the initial screening of the sample of business firms to include only appropriate firms and their marketing representatives.

Second, all respondents were first queried about their firm's cause-related marketing partnership. Only questionnaires from informed subjects were utilized.

Multiple steps were taken to secure corporate participation. Senior sales executives of many large, international business firms were initially contacted with a cover letter soliciting their firm's participation. Contact names and other information were obtained from a list supplied by a consulting agency that specializes in generating partnerships between business and not-for-profit organizations.

From the list of contacted firms, one firm stood out. The particular organization was selected because of its exemplar status as a cause-related marketing example. Corporate social responsibility experts recently heralded the organization and its work as "the perfect example of a successful strategic cause marketing campaign," (Cone 1998). In return for the organizations' participation, aggregate results were written and presented to the corporation's executives with interpretation at the end of the study.

It is not uncommon to collect survey data from individuals within a single organization according to a review of recent top marketing journals (see Table 11). The table was constructed by reviewing the premier journals in the areas of marketing and sales: namely, the *Journal of Marketing, Journal of Marketing Research, Industrial Marketing Management,* and the *Journal of Personal Selling and Sales Management*. This same collective of journals has been reviewed for its contributions in previous research (Bush and Grant 1994).

TABLE 11

SOURCES OF ORGANIZATIONAL DATA

Journal / Sample	1996		1997	
	Multiple Firms	Single Firm	Multiple Firms	Single Firm
Journal of Marketing	4	2	--	2
Journal of Marketing Research	--	--	--	--
Industrial Marketing	4	--	--	--
Journal of Personal Selling and Sales Management	3	5	--	--
Total	11	7	--	2

Corporate and individual anonymity were promised to the selected, cooperating firm and to its marketing representatives[1]; actions were taken to ensure compliance. First, the researchers avoided directly handling the organization's database of representatives. Materials mailed to marketing representatives were conceptualized, manufactured, and tested by the researcher. Only then were they mailed in bulk to the participating organization's headquarters. From there, the materials were individually distributed to representatives.

At the corporation, the names of the firm's representatives were selected by conducting an *n*th name selection process from a random starting point. This is a systematic sample drawn from marketing representatives who met agreed-upon

[1] It should be noted that with this leading direct marketing company, not unlike other direct marketing firms, salespeople are not technically recognized as employees, but as independent consultants.

selection criteria. The a priori selection criteria for respondents were: (1) to be employed in the United States, (2) to have been with the organization for a minimum of three years, and (3) to have had sales of at least $12,500 the previous year. The latter criterion was specified to ensure that the sample resembled a more determined (i.e., "full time") sales force versus weekend sellers who are only superficially involved with the organization.

The sample selection process yielded 2,200 representative's names from the organization's database of over 440,000 marketing representatives. The names were formed into mailing labels. Labels were affixed to corporate stationary. The researcher's materials were inserted and then distributed in the envelopes to individual representatives. Representatives sent the completed questionnaires back directly to the researcher in unmarked business reply envelopes provided by the researcher.

Two weeks prior to the questionnaire packets' mailing, the participating organization's senior sales executives and contact person were sent a brief reminder note. The reminder note brought attention to the upcoming mailing date. It also restated the planned steps to execute the data collection process. Four days prior to the questionnaires' mailing, all regional managers were sent a letter on corporate letterhead explaining the upcoming study and strongly urging their enthusiasm toward the study. All survey material was mailed at an agreed upon date when the corporation believed that its representatives would devote time to answering the survey material (the beginning of the spring sales quarter).

In each packet was: (1) a cover letter on company letterhead from the senior sales executive and the corporate cause-related marketing director explaining the importance of the study and encouraging participation in it, assurance of anonymity, and instructions on filling out the questionnaire; (2) a questionnaire that contained measures of not-for-profit firm evaluation, marketing representative's tenure with the corporation, corporate evaluation, perceived partner fit, their firm's perceived commitment to the not-for-profit partner firm, a hypothesis knowledge check, demographic questions, and other measures; and (3) a postage paid business reply envelope addressed to the researcher's university.

For the cover letter, altruistic and egoistic appeals were used to maximize participation (Houston and Nevin 1977). Altruistic appeals emphasized the importance of completing and returning the questionnaire for the sake of the researcher, the organization, and general politeness. Egoistic appeals, on the other hand, emphasized the impact that the representative could have on company policy by voicing his or her opinion on the anonymous survey.

At the end of the survey instrument was a statement that thanked the respondents and informed them that the questionnaire could be placed in the mail. Surveys were returned directly to the researchers in pre-addressed, postage-paid business reply envelopes provided with the survey to emphasize the academic control of the information. A blanket mailing of follow-up post cards was sent after 5 days to all original respondents in the sample to remind them and to encourage the questionnaire's completion and return. This was designed for maximum ease and to enhance participation.

Measures. To begin, all respondents were asked if they are aware of a cause-related marketing alliance partner with which their firm was participating. The corporation is involved with two principle not-for-profit partners but typically is involved with only one in any given area. Representatives were asked to write the name of the more familiar not-for-profit firm with which their organization was partnered. Two choices were provided. If they were not able to select a not-for-profit firm, the data were discarded.

As in Study 1, measures were taken on the respondent's evaluation of his/her firm's not-for-profit partner on a 3-item 11-point Likert type scale where 1 = "strongly disagree" and 11 = "strongly agree." The three remaining independent variables (perceived commitment, perceived fit, and representative's tenure with the organization) were also measured.

The dependent variable measure of corporate evaluation was collected, as in Study 1, with a 3-item 11-point bipolar attitudinal scale that included the items "positive" and "negative," "favorable" and "unfavorable," and "good" and "bad."

Variation of fit resulted from the marketer's perception of his/her company's compatibility with the not-for-profit organization. To measure perceived fit, representatives responded to a five-item bipolar scale identical to the measure in Study 1.

Perception of the firm's of commitment was gathered on a 4-item 11-point Likert scale anchored by 1 = "strongly disagree" to 11 = "strongly agree." Similar scales can be found in the relationship commitment literature (e.g., Heide and John 1988; Morgan and Hunt 1994). Examples of items included "My company has gone out of its way to align itself with this nonprofit partner," and "My organization has invested a great deal in building up this partnership." Questions about the subjects' age, gender, and time with the organization (tenure) concluded the questionnaire.

Study 2 Results

Seven-hundred thirty questionnaires were returned for a 33.18 percent response rate. Effort was spent to ensure respondents within the selected firm were capable of providing accurate information about the cause-related marketing relationship and partner. If respondents were unable to answer, they were not considered knowledgeable informants and the data were excluded to avoid inaccuracies. Six hundred thirty of these respondents were able to recognize their corporation's not-for-profit partner (86.31%). This amounts to a 28.63 percent usable response rate overall from the original mailing.

For analytical purposes, the response rate is calculated to be a conservatively smaller percentage. Recall that respondents were queried about their organization's two principle not-for-profit partners. Prior to the study it was anticipated that the choice between the two firms would result in splitting the 2,200 possible responses. Some marketing representatives would choose one not-for-profit partner and some would complete the survey based on responses directed at the other firm. For the purpose of this study, responses pertaining to only one principle not-for-profit partner were analyzed. The single partner offered homogeneous evaluations. Two hundred nineteen questionnaires that pertained to the chosen not-for-profit partner were initially utilized for analysis.

Assessment of nonresponse bias was conducted using the time trend extrapolation test (Armstrong and Overton 1977 as per Nonis *et al.* 1996). This test assumes that subjects who respond less readily are more like nonrespondents. "Less readily" can be considered as answering later or requiring more encouragement to answer. In short, nonrespondents are considered more like late respondents than like early respondents. In Smith and Andrews (1995) early respondents were defined as those who returned questionnaires within two weeks. Late respondents included the remaining subjects. The same categorization was used for Study 2.

Analysis of variance (ANOVA) was utilized to test for differences between the earlier and later respondent groups. The null hypothesis was that no difference existed between the early and late subjects on key data. The two groups were tested on (1) their attitude toward the corporation, (2) attitude toward the not-for-profit firm, (3) perception of commitment, (4) perception of fit, and (5) familiarity with the not-for-profit firm. Results revealed no differences between the two groups as the tests failed to reject the null hypothesis. The two groups are similar in the key characteristics. Therefore, all the data were analyzed as a single sample (see Table 12).

Multiple regression analysis was again the statistical method chosen for Study 2. When assumptions are met, the coefficient estimates provide useful results. The multiple regression assumptions necessary for the best linear unbiased estimate (BLUE) are discussed in the next section.

TABLE 12

STUDY 2 LATE VS. EARLY RESPONDENTS

Scales	Early Mean	Late Mean	F Prob.
Corporate Evaluation	9.8310	9.9096	.7205
Not-for-profit Firm Evaluation	9.6526	9.4728	.4860
Commitment	9.2069	9.1855	.9422
Fit	9.2585	9.1426	.7099
Familiarity with Not-for-profit Firm	7.3239	7.2211	.8276

Meeting Regression Assumptions

The first analysis in Study 2 ensured that multiple regression's statistical assumptions were met. As in Study 1, the researcher examined (1) specification error, (2) outlier influence, (3) random measurement error, (4) normality of error, and (5) multicollinearity. First though, fifty-one questionnaires were eliminated because they were returned grossly incomplete.

Specification error was addressed before the first data were collected. As discussed in Study 1 and in Chapter II, extensive theory development contributed to building the study's regression model. While Study 2's model might likely be improved with the addition of more variables, improvement would surely come at the expense of parsimony and managerial relevance.

Next, influential outlying observations (having a disproportionate impact on the regression results) were identified. Studentized residuals were examined to detect observations that were outliers on corporate evaluation. A priori, cases were determined to be removable, influential outliers only if they exhibited studentized residuals greater than ± 3 standard deviations and exhibited leverage greater than the centered mean leverage. The latter test indicates that the observation carries a disproportionate weight in determining its predicted dependent variable value (Hair *et al.* 1995). Three observations met these criteria and were eliminated.

Random measurement error concerns were addressed previously in Study 1. The same precautions were taken while conducting Study 2 (e.g., data were again professionally entered by a trained specialist; data entry results were then double-checked by hand like before).

Normality of error is perhaps the most frequently encountered assumption violation (Hair *et al.* 1995). The simplest test for the set of predictor variables is a histogram of residuals with a visual check for approximately normal distribution (see Figure 8A). A second method is the use of normal probability plots (see Figure 8B). The normal distribution is compared with standardized residuals. If the plotted residuals fall on the diagonal line, as in this case, distribution is normal.

Table 13 is used to examine the bivariate correlations between independent variables and between interaction products and their component variables. The lower left section (bolded numbers) reflects uncentered variable correlations. The upper right section shows centered correlations. For the most part, little extreme correlation is demonstrated among the predictor variables. However, as Table 13 shows higher correlations do exist between product terms and their component parts. Raw correlations range as high as .941.

FIGURE 8A

STUDY 2 DISTRIBUTION

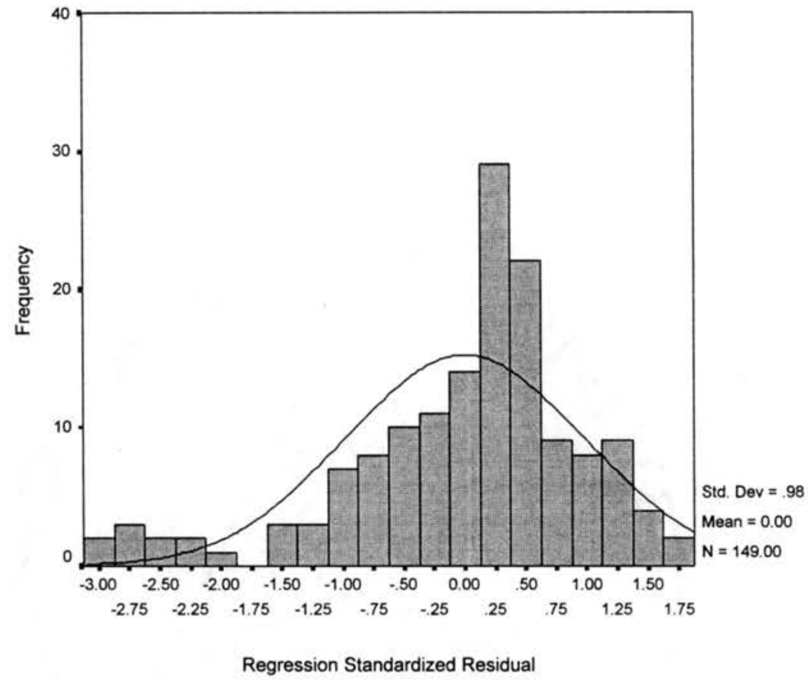


FIGURE 8B

STUDY 2 NORMAL PROBABILITY PLOT

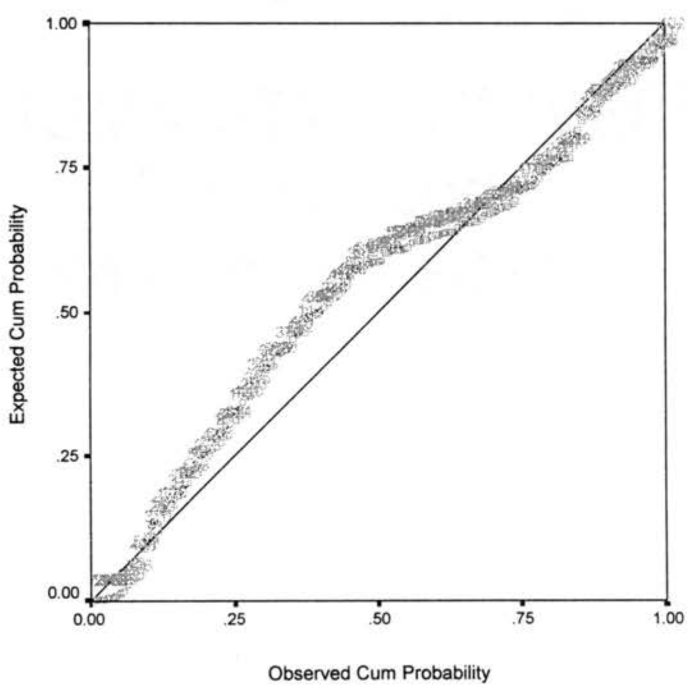


TABLE 13

CORRELATIONS BETWEEN STUDY 2 VARIABLES

	N-f-p Eval.	Commit.	Fit	Tenure	N-f-p Eval. × Commit.	N-f-p Eval. × Fit	N-f-p Eval. × Tenure
N-f-p Eval.	---	.563	.644	-.069	-.577	-.649	.037
Commit.	**.563**	---	.436	.090	-.473	-.448	-.041
Fit	**.644**	**.436**	---	-.011	-.269	-.496	-.177
Tenure	**-.069**	**.090**	**-.011**	---	-.012	-.070	-.091
N-f-p Eval. × Commit.	**.827**	**.900**	**.609**	**.019**	---	.719	-.230
N-f-p Eval. × Fit	**.869**	**.525**	**.929**	**-.054**	**.722**	---	-.030
N-f-p Eval. × Tenure	**.225**	**.244**	**.158**	**.946**	**.247**	**.188**	---

To minimize high correlation between product interactions and their independent components, an additive transformation (i.e., centering) was performed as in Study 1 for thoroughness. A multiple regression analysis using SPSS computer software was then conducted on both centered and raw data.

Sample

Upon completing the test of assumptions, Study 2 was left with 156 usable and complete questionnaires. The remainder of the sample demonstrated itself to be satisfactory. All respondents were familiar with English as a first language. The majority of the marketing representatives in the sample were over the age of 41

(> 80%). The sampling frame of marketing representatives primarily consisted of women and this was mirrored in the returned surveys (98% women). Average tenure with the company was nearly 14 years (see Table 14).

TABLE 14

STUDY 2 SAMPLE PROFILE

Language		**Age**		**Gender**		**Tenure (Years)**
English	(100%)	≤ 20	(0%)	Female	(97.6%)	$\bar{x}$=13.99
Other	(0%)	21-30	(.6%)	Male	(2.4%)	
		31-40	(15.1%)			
		41-50	(23.5%)			
		51-60	(25.3%)			
		≥61	(33.7%)			

Reliability Tests

Study 2 incorporated measures gleaned from previous research and refined in pretests. The repeated testing of established scales provided Study 2 with strong measures. Study 2 includes multi-item measures of not-for-profit evaluation, perceived fit, corporate evaluation, and commitment.

The recommended measure for internal consistency is coefficient alpha (Churchill 1979). This statistical technique was used to test the reliability of the 11-point scales. Reliability coefficients are presented below in Table 15. The analysis shows that the reliability coefficients exceed values of .90, indicating high internal consistency for each set of items (Nunnally and Bernstein 1994). The coefficient alphas ranged from .9278 to .9679 (see Table 15).

TABLE 15

RELIABILITY COEFFICIENTS FOR SCALES IN STUDY 2

Scales	Cronbach's Alpha
Corporate Evaluation	0.9679
Not-for-profit firm Evaluation	0.9278
Commitment	0.9281
Fit	0.9585
Tenure	Single item measure

Like in Study 1, factor analysis was used to determine whether or not the scale items reflect the particular concepts for Study 2. Unidimensionality of the items was tested with principal components factor analysis. Factors were subjected to and successfully met latent root (i.e., eigenvalue greater than 1.0) criteria. The latent root test criterion indicated that each measured construct construed a single factor.

The statistical analysis methods and statistical findings for each interaction hypothesis are presented in the following.

Tests of Hypotheses for Study 2

Multiple hierarchical regression analysis was the statistical technique used to test for the presence of interactions in Study 2. The incremental explained variance is typically evaluated by subtracting the squared multiple correlation (R^2) in the original equation from the squared multiple correlation in the full equation (Jaccard *et al.* 1990). First, a main-effects-only model was calculated by regressing corporate evaluation onto the independent measures of not-for-profit partner firm evaluation, commitment, representative's tenure, and fit. Second, a full model analysis was conducted, regressing corporate evaluation onto all variables including the interaction terms. The full model is presented in the form:

$$Y = B_0 + B_1X_1 + B_2X_2 + B_3X_3 + B_4X_4 + B_5X_1X_2 + B_6X_1X_3 + B_7X_1X_4$$

where Y = the mean of the three-item, semantic differential corporate evaluation scale, X_1 = the mean of the three-item Likert-type not-for-profit partner evaluation scale. X_2 = the dummy variable representing the experimental commitment treatment (0 = low commitment and 1 = high commitment). X_3 = the mean of the three-item semantic differential-type fit scale. X_4 = the collected mean from the 11-point continuous tenure variable. X_1X_2 = the product of the interaction between the three-item Likert-type not-for-profit partner evaluation scale and the experimental commitment treatment. X_1X_3 = the product of the interaction between the three-item Likert-type not-for-profit partner evaluation scale and of the three-item semantic differential-type fit scale. X_1X_4 = the product of the interaction between the three-item Likert-type not-for-profit partner evaluation scale and the tenure variable.

Technically, the null hypotheses being tested are that the regression coefficients for the interactions terms (not-for-profit firm evaluation × commitment; not-for-profit firm evaluation × fit; and not-for-profit firm evaluation × tenure) are zero in the population. Rejection of any hypothesis because of an R^2 change is consistent with the notion that an interaction is present. As Table 16 attests, the change in R^2 is significant.

TABLE 16

STUDY 2 REGRESSION RESULTS

Multiple *R*	.52056	DF	7, 148
R^2	.27098	R^2 Change	.099
F Change	6.762		
Significant *F* Change	.0003		

Variable	***b***	***Beta***	***SE b***	***t***	***Sig t***
Not-for-profit Firm Eval.	-.569591	-.896603	.236316	-2.410	.017
Perceived Business Firm Commit.	-.058663	-.104666	.171310	-.342	.733
Fit	-.639227	-1.166823	.286595	-2.230	.027
Tenure	.091564	.711767	.065863	1.390	.167
N-f-p Eval. × Commit.	.023368	.581801	.018304	1.277	.204
N-f-p Eval. × Fit	.073925	1.996343	.030700	2.408	.017
N-f-p Eval. × Tenure	-.008165	-.624891	.006833	-1.195	.234
Constant	12.92430		2.052879	6.296	.000

The change in R^2 in Table 16 is statistically significant (0.003) leading us to reject the null hypothesis. We can conclude that an interaction is present. A moderator effect lends statistically significant explanatory power to the additive model. Either $\mathbf{H_1}$, $\mathbf{H_2}$, or both $\mathbf{H_1}$ and $\mathbf{H_2}$ might be contributing significant explanation to the dependent variable corporate evaluation.

Three predictors appear to contribute to explaining corporate evaluations — the interaction term (not-for-profit evaluation × fit) and two component predictors (not-for profit evaluation and fit). Statistically, these variables register significant *t* values of 2.408, -2.410, and -2.230, respectively. They account for 27 percent of the variance in corporate evaluation (R^2 = .271). However, substantive questions arise as to the variate's validity.

Previously, commitment contributed in Study 1 as a moderator. Moreover, the commitment × partner evaluation interaction effect was predicted on the basis of common sense and strong theory. However, in Table 16, the effect failed to manifest itself. Indeed the researchers felt that a failure to detect an interaction effect that truly existed was occurring. To counteract the problem, a post hoc supposition was tested.

Note in Table 16 that tenure also failed to impact corporate evaluation as a main effect or a moderator. As a result of an a priori sample selection criterion, minimum tenure was three years. Consequently, even the newest representatives (those with least tenure) were relatively seasoned veterans. It was felt tenure was not only <u>not contributing</u> to the regression equation, but it might also be suppressing the true nature of other variables' effect in the model. A test was performed to test this idea. Results can be viewed in Table 17.

TABLE 17

TEST OF TENURE'S IMPACT

R^2	.5206	DF	7, 148
R^2 Change	.01773		
F Change	1.7997		
Significant F Change	.1689		

Variable	***b***	***Beta***	***SE b***	***t***	***Sig t***
Not-for-profit Firm Eval.	-.569591	-.896603	.236316	-2.410	.017
Perceived Business Firm	-.058663	-.104666	.171310	-.342	.733
Fit	-.639227	-1.166823	.286595	-2.230	.027
N-f-p Eval. × Commit.	.023368	.581801	.018304	1.277	.204
N-f-p Eval. × Fit	.073925	1.996343	.030700	2.408	.017
Tenure	.091564	.711767	.065863	1.390	.167
N-f-p Eval. × Tenure	-.008165	-.624891	.006833	-1.195	.234
Constant	12.92430		2.052879	6.296	.000

Hierarchical regression, which is used to determine if adding one or more variables to a regression variate (e.g., tenure and its interaction term) significantly help explain variance, was preformed. First, a model was calculated by regressing corporate evaluation onto the independent measures of not-for-profit firm evaluation, commitment, fit, not-for-profit firm evaluation × commitment and not-for-profit firm evaluation × fit.

Second, the larger multiple regression model was run where corporate evaluation was regressed onto all the above variables plus the measures of tenure and not-for-profit firm evaluation × tenure. If a change in R^2 is statistically significant, then this is consistent with the belief tenure contributes as either a main effect or as a moderator.

As Table 17 shows, both tenure and the tenure × partner evaluation interaction fail to contribute any explanatory information to the model. For the sake of specification error, tenure was removed from Study 2 analysis as a component and main effect predictor. A new table was computed (see Table 18).

TABLE 18

RESPECIFIED REGRESSION RESULTS

Multiple R	.50324	DF	5, 150
R^2	.25325		
F Change	8.791		
Significant F Change	.0002		

Variable	*b*	*Beta*	*SE b*	*t*	*Sig t*
Not-for-profit Firm Eval.	-.674060	-1.061049	.209441	-3.218	.002
Perceived Business Firm Commit.	-.112829	-.201309	.166497	-.678	.499
Fit	-.530386	-.968149	.282181	-1.880	.062
N-f-p Eval. × Commit.	.030801	.766853	.017641	1.746	.083
N-f-p Eval. × Fit	.063182	1.706232	.030331	2.083	.039
Constant	13.91354		1.821541	7.638	.000

The change in R^2 in Table 18 is statistically significant (0.000) leading us to reject the null hypothesis. We can conclude again that an interaction is present. A moderator effect lends statistically significant explanatory power to the additive model. Either $\mathbf{H}_1$, $\mathbf{H}_2$, or both $\mathbf{H}_1$ and $\mathbf{H}_2$ might be contributing significant explanation to the dependent variable corporate evaluation. Moreover, the loss of explanatory power after remaining tenure amounted to .018 (R^2 with tenure = .271, R^2 without tenure = .253).

One of the first items to assess in Study 2 is how well the data fit the model — the goodness-of-fit (Berry and Feldman 1985). As Table 18 shows, the squared multiple correlation is .253. R^2 indicates the proportion of variance in the ratings of overall attitude toward the corporation that could be accounted for by the linear combination of the five variables. In the case of Study 2, the full variate is explaining over 25 percent of the variance in corporate evaluation among marketing representatives.

The standardized and unstandardized regression coefficients are presented in the lower half of Table 18 as well. An unstandardized coefficient (b) reflects the number of units that corporate evaluation is predicted to change given a one-unit change in the independent variable in question holding all other independent variables constant. The standardized coefficients (*Beta*) are subject to the same form of interpretation, but in terms of standard scores rather than raw scores.

The column in the table labeled "t" indicates the test for the null hypothesis that the corresponding regression coefficient equals zero. The final column, labeled "*Sig t*" shows the p value of the t statistic. In Study 2, multiple single regression coefficients are statistically significant — not-for-profit partner evaluation, fit, not-for-profit evaluation × commitment, and not-for-profit evaluation × fit. However, it should be noted that the coefficient terms for the constant predictors (i.e., not-for-profit partner evaluation, fit, and commitment) in the presence of an interaction, do not represent "main effect" as the term is typically used (Aiken and West 1991). Instead, the effect of the variable is evident as a component in the interaction term. The variable's influence is different at different levels of another predictor. Its constant influence (i.e., as a "main effect") cannot be interpreted by itself. These coefficients register *t* values of -3.245 and 2.083, respectively. The full model in regression equation format follows. Asterisks indicate statistical significance.

$$\mathrm{Y} = \mathrm{B}_0 - .674X_1{}^* - .113X_2 - .530X_3 + .031^*X_1X_2 + .063X_1X_3{}^*$$

Graphing the significant interaction terms was done by inserting numbers into the regression equation as recommended by Aiken and West (1991). The method is nearly identical to the technique applied in Study 1 (see Appendix F). However, rather than substitute in points (e.g., 0 or 1) to signify low and high levels of the manipulated commitment as in Study 1, in Study 2, the low and high levels of inserted variables were determined by subtracting or adding one standard deviation, respectively, to their mean (see Aiken and West 1991 for more detail).

In the following, each hypothesis is discussed.

Hypothesis 1

Test of Hypothesis 1: The positive relationship between partner evaluation and corporate evaluation is greater when perception of firm commitment is high than when perception of firm commitment is low.

$\mathbf{H_1}$ proposed that the positive relationship between partner evaluation and corporate evaluation is greater when perception of firm commitment is high than when perception of firm commitment is low.

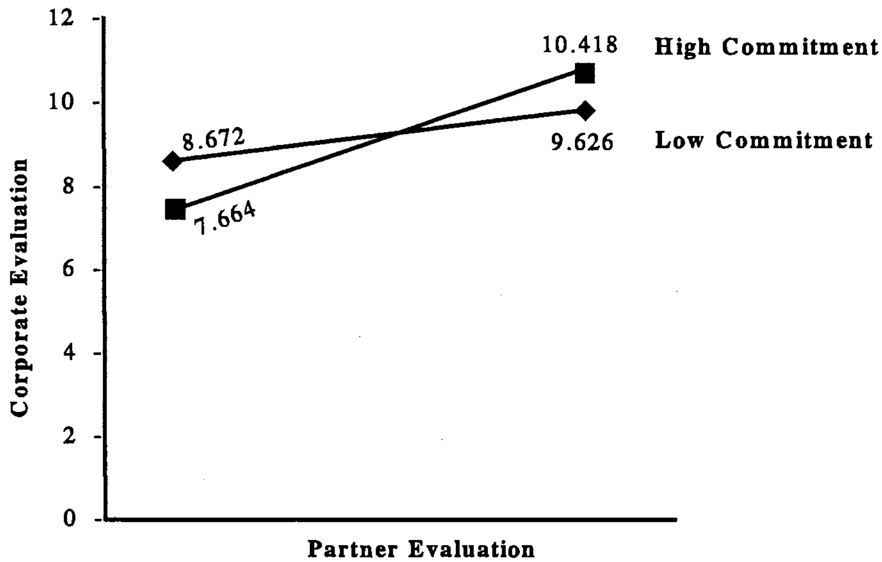
Table 18 reveals an interaction effect with this product ($t = .1746$, $p = .083$), significant at the $\propto = .10$ level. It is a notably strong effect considering survey sample-size concerns with power. Substantive theory specified that the marketing representatives' corporate evaluation depends jointly on the values of commitment and not-for-profit firm evaluation. We include its exploration in the following discussion.

These results indicate the effect of not-for-profit evaluation on corporate evaluation depends on the representative's perceived evaluation of the business firm's commitment. The interaction indicates that there is a different line for the regression of corporate evaluation on not-for-profit evaluation at the two levels of perceived commitment. To understand the nature of the significant moderator effect, the researcher calculated the slope of partner evaluation on corporate evaluation for low and high levels of commitment. The two regression lines (at each value of commitment) are referred to as simple regression lines.

The not-for-profit firm evaluation $\times$ commitment interaction appears in Figure 9 like a crossed fan when plotted at low and high levels of commitment and along various points of not-for-profit firm evaluation. A moderating effect is clearly represented in Figure 9 as a disordinal interaction. A disordinal interaction is one in which the regression lines are nonparallel and intersect within the range of scores being studied as predicted (Jaccard *et al.* 1990).

FIGURE 9

STUDY 2 SIMPLE SLOPES FOR HYPOTHESIS 1



H_1 was supported and the product term's parameter estimate was found to be significant. A moderator effect existed between representatives' not-for-profit evaluation and their perceived level of commitment. Next, it must be determined if the H_2 interaction (not-for-profit partner evaluation $\times$ fit) exists as well.

Hypothesis 2

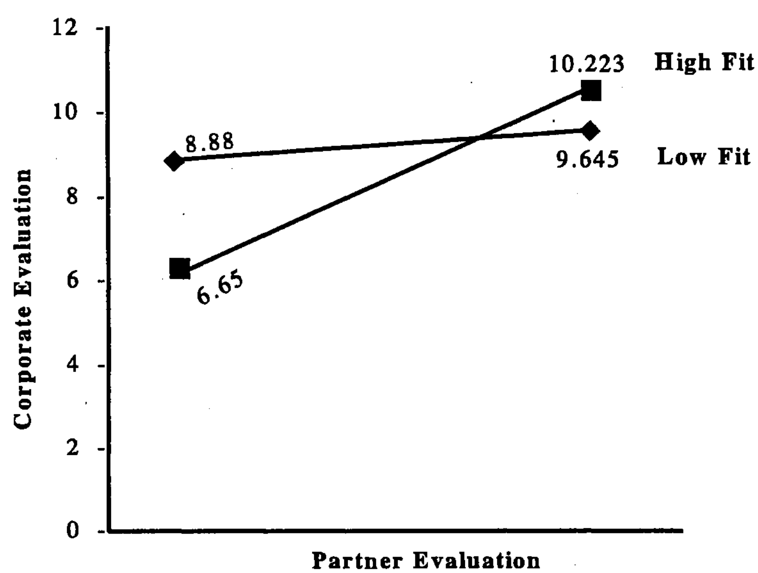
Test of Hypothesis 2: The positive relationship between partner evaluation and corporate evaluation is greater when perception of fit is high than when perception of fit is low.

H_2 proposed that the positive relationship between partner evaluation and corporate evaluation is greater when perception of fit is high than when perception of fit is low.

Table 18 reveals a significant interaction effect with this product ($t = 2.083$, $p = .039$). The simple slopes are calculated as before and are plotted in Figure 10. These results indicate the effect of not-for-profit evaluation on corporate evaluation also depends on the representative's perceived evaluation of the business firm's fit as indicated by the crossed line effect.

FIGURE 10

STUDY 2 SIMPLE SLOPES FOR HYPOTHESIS 2



Hypothesis 3

Test of Hypothesis 3: The positive relationship between partner evaluation and corporate evaluation is greater when the marketing representative's tenure is low than when the marketing representative's tenure with the organization is high.

H_3 proposed that the positive relationship between partner evaluation and corporate evaluation is greater when the marketing representative's tenure is low than when the marketing representative's tenure with the organization is high.

The researcher used the significance test for the interaction of not-for-profit evaluation by tenure in Table 16. The *t*-ratio in Table 16 provided an efficient means of testing **H_3**. For the **H_3** interaction, the *t*-ratio fell short and was likewise not significant [$t = -1.195$]. The *p* value of the *t* statistic further indicates failure of **H_3** [$p = .234$]. In addition, the main effect of tenure also contributed no significant predictive value to corporate evaluation ($t = 1.390$, $p = .166$).

Study 2 Discussion and Conclusions

In the following, the research's findings of Study 2 are summarized and discussed. Public policy and managerial implications are presented, limitations are identified, and directions for future research are addressed.

Study 2 generally supports the argument that marketers' perceptions of their firm's involvement with a cause-related marketing partner affect their corporate evaluation. Additionally, some themes resurfaced from Study 1. The study revealed that the organization's commited involvement with cause-related marketing was an important determinant of representatives' global affective evaluations of the company. Moreover, the perceived fit of the two firms impacted corporate evaluations again.

However, both predictors acted in a moderating fashion this time. Both hypothesized predictors acted differently at different levels of not-for-profit partner evaluation. Approximately 25 percent of the variation in corporate evaluation was explained by the regression equation in Study 2.

The general implication is that marketing managers who are concerned about how their organization is viewed should pay attention to their partner, to the treatment of the not-for-profit company partnership, and to the fit between firms.

Implications

The results of Study 2 have many timely and useful implications for public policy makers and marketing managers.

Public Policy Implications. By assuming a greater social responsibility as corporate citizens, firms have recently seen consumers respond generously. Study 2 yielded results that broadened our knowledge of how internal stakeholders are affected by their firm's cause-related marketing efforts.

Study 2 further demonstrates that partner evaluation, perceived commitment to the relationship, and fit impact the marketing representatives' evaluations. Both the perception of commitment to and fit between not-for-profit partner and the boundary spanner's firm yield conditional hypothesized effects on corporate evaluation.

These findings somewhat explain the public policy concern that companies have been encouraged to seek out only high-profile and attractive not-for-profit companies. Findings from Study 2 indicate that the perceived level of commitment to a not-for-profit partner influences corporate evaluation through the evaluation of the not-for-profit firm as a combination of the predictors. The same applies to the perception of fit. Moreover, it was found that the marketer's length of time with the organization had no impact on corporate evaluation with the current sample.

Managerial Implications. Managers are facing increasing pressure to tie their social behaviors to corporate strategies to improve bottom line performance and strengthen their firm's competitive advantage (Webb and Mohr 1998). Affecting corporate evaluations is at the forefront of their agendas. Business and not-for-profit strategists (Smith 1994; Andreason 1996, respectively) are urging marketers to form cause-related marketing alliances. The results of Study 2 indicate that marketing representatives' corporate evaluations are affected by these cause-related marketing actions under different conditions. Marketing managers can use this information to convey their firm's good deeds to not only consumers, but also to internal members.

If marketing managers choose to affect corporate evaluations through their firm's role as corporate citizen, at times they need to wholeheartedly participate and take credit for deep resource commitments. It would serve the firm well to search out not-for-profit organizations adored by its representatives. Seemingly, a feeble show of cause-related marketing support to a good cause reflects poorly on the corporate evaluation by marketing representatives. Moreover, strong perceptions of fit are beneficial when the not-for-profit firm is well like.

Under conditions of high perceived fit and very good not-for-profit partner evaluations, corporate evaluation experienced its largest outcome. Notably close to this result is the result found when fit is perceived to be low and the partner evaluation is high. However, when not-for-profit partner evaluations is low and fit is high, the resulting corporate evaluation is markedly lower than at any other point. Effort spent searching for an intelligent fit could prove detrimental if the not-for-profit partner was not highly evaluated by representatives of the firm.

Limitations

The purpose of Study 2 was to examine the link between not-for-profit partner evaluations and the marketing representatives' own firm's evaluations. Additionally, we examined several moderating conditions under which this effect might be altered. While the data fit the model relatively well, caveats need mentioning. The limitations are presented in the following.

Study 2 focused on only U.S. respondents. The dramatic shift toward cause-related marketing is, for the most part, a phenomenon bounded by U.S. borders. The dearth of reported cause-related marketing behaviors internationally does not indicate that cause-related marketing would have no effect on another country's marketing representatives' corporate evaluations. While the U.S. focus exists as a limitation today, it lends itself to future research. Primarily, extending this study across international borders would be an exciting and elucidating move to continue this research.

Another shortcoming is the limited range of tenure studied. A result of the sample criterion "Representatives with a minimum of three years tenure" could have created a floor effect. In the direct marketing industry, a representative with a few years of experience is considered quite experienced. The consequence of having no representatives in the sample with extremely short tenure (less than three years) is that dissatisfied new representatives never maintained an association with the organization. In other words, marketers who would typically contribute lower corporate evaluation scores to the study have possibly been screened out by the a priori selection criteria. The survey might possibly have queried only the representatives more likely to respond favorably to corporate endeavors.

CHAPTER IV

DISCUSSION AND CONCLUSIONS

In this chapter the research findings of Studies 1 and 2 are summarized and discussed. The research objectives have been met and are addressed. The hypothesized model accounts for a large percentage of the variance in corporate evaluations in Studies 1 and 2. Further theoretical, public policy, and managerial implications are presented, the limitations of the studies are identified, and directions for further research are addressed.

Research Findings and Discussion

The last decade has spawned an enormous interest in corporate social responsibility and has beared witness to thegrowth in the use of cause-related marketing in commercial settings. Marketers have begun to realize the advantages of doing good. Therefore, front-running corporations practicing this strategic philanthropy are increasingly demanding greater study on this phenomenon. However, research has been slow to follow and narrow in its scope of study.

Corporate social responsibility researchers have shown that consumers respond favorably to a firm's "altruistic" efforts. These "altruistic" efforts have been found to propagate such outcomes as greater positive corporate attitudes and desirable consumer exchange behaviors. Regrettably, most corporate social responsibility research has focused on consumer samples solely.

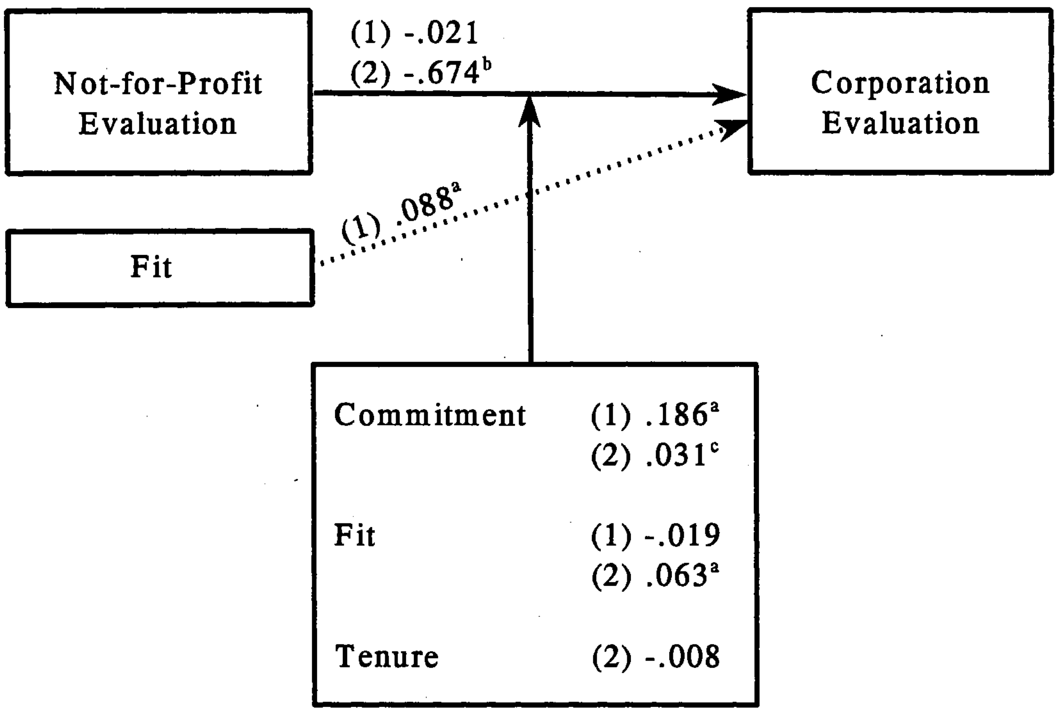
The primary purpose of this multi-study project was to examine one particular type of corporate social responsibility — cause-related marketing — and its effect on corporations' internal constituencies, prospective and existing marketing employees. Specifically, the study proposed to examine the effect that a not-for-profit cause-related marketing partner's evaluation has on marketing constituents' evaluation of their own firm. Moreover, it examined different possible conditions under which this effect might be moderated.

For the first time cause-related marketing has been shown to be beneficial in influencing attitudes toward the corporation of not only outside constituents like customers but also internal stakeholders. Both Studies 1 and 2 generally support the hypothesized statements that internal marketers' perceptions of their firm's involvement with cause-related marketing affect their corporate evaluation. The samples were drawn from business classes of prospective marketing employees and from a major company in the cosmetic/fashion industry. Results are displayed graphically in Figure 11.

The studies found that the organization's active involvement with cause-related marketing was an important determinant of representatives' global affective evaluations of the company. Approximately 33 and 25 percent (Study 1 and Study 2, respectively) of the variation in corporate evaluation was explained by the regression variables. The general conclusion is that marketing managers who are concerned about how their organization is viewed, should pay attention to the [not-for-profit] company it keeps, the treatment of the partnership, and the fit between the firms.

FIGURE 11

RESULTS OF STUDIES 1 & 2



[a] = significant at $p < .05$
[b] = significant at $p < .01$
[c] = significant at $p < .10$

Solid lines indicates hypothesized statements.
Dotted line indicates a found (but not predicted) result.
Following (1) and (2) are coefficients from Studies 1 and 2, respectively.

Implications

The results of the combined studies have many timely and useful implications for public policy makers, marketing managers, and empirical researchers. Several are put forward below.

Public Policy Implications. In the not-too-distant past, corporations had little to do with public policy except to react within the constraints impressed upon the firms from the outside community. The recently "hands-off" mindset is possibly best epitomized with Friedman's 1970 curt response that the social responsibility of business was making money. Recently, firms have found that it is often beneficial from a public policy standpoint to proactively work with the community rather that reactively fight against it.

The timing of this epiphany is fortuitous. At a time when the federal government is scaling down investments in the public sector, corporations have discovered the positive attitudinal and behavioral consumer responses of filling this void. When assuming a greater social responsibility as corporate citizens, firms have seen consumers respond generously to cause-related marketing efforts.

While the win-win-win outcome of cause-related marketing is seemingly flawless, it has drawn criticism. With cause-related marketing, the benefitting not-for-profit firm gains financially and with heightened awareness of its cause. The business firm typically recognizes greater sales and publicity, and the firm's customers gain a sense of doing something good. However, critics argue that in this environment only the largest, best know not-for-profit firms will be chosen as cause-related marketing partners. Smaller not-for-profit firms, while equally chivalrous, might possibly be overlooked because their cause is not as sellable.

In fact, Studies 1 and 2 demonstrate that the more favored not-for-profit firms have an effect on corporate evaluation. However, corporate evaluations are the result of a conditional effect. Perceived commitment to the relationship and fit moderate not-for-profit evaluations which impacts the marketing representatives' evaluations. Partner evaluation is a large concern for businesses when choosing a not-for-profit firm to conspicuously support and when searching for a "nice fit."

If internal marketers are not aware of the depth of commitment, the not-for-profit partner evaluation has little effect on corporate evaluation. As commitment becomes more salient, the positive value of the nonprofit partner becomes more critical. Under high levels of commitment and high levels of not-for-profit evaluation, corporate evaluation records its highest mark in both studies.

In the second study, partner evaluation and commitment exhibited a crossover effect in relation to corporate evaluation. As evaluations of the not-for-profit partner increased, so did corporate evaluation. When evaluations of the not-for-profit partner decreased and commitment was seen as high, corporate evaluation plunged low in Study 1 (although still higher than under conditions of no commitment) and to its lowest point in Study 2. Under levels of low perceived commitment partner evaluation exhibited a lower and positive effect on corporate level.

In summary, under conditions of high commitment, the effect was quite dramatic. High perceived commitment to a more poorly evaluated not-for-profit partner resulted in the overall low corporate evaluation. Conversely, high commitment to a positively evaluated not-for-profit partner exhibited the highest resulting corporation evaluation.

Fit contributed positively to prospective marketing representative's corporate evaluations as a main effect in the first study. As prospective marketers' perceptions of fit rose, it directly gravitated with their evaluation of the corporation. In Study 2, it acted as a moderator with partner evaluation as hypothesized.

Managerial Implications. Although it is a leap to say that satisfied employees are consistently productive workers, research evidence suggests that an employee's corporate evaluation does influence his or her job behavior and ultimately the marketing manager's success. For instance, just consider the cost and difficulty in attracting and keeping good marketing representatives. Good corporate evaluations make these tasks more manageable. In Webb and Mohr's research (1998), they mention one respondent noting that even though she would not consume a product (because of cause-related marketing efforts), she would want her children to work for such a company. Affecting corporate evaluations then is at the forefront of managers' agendas.

Although a poor corporate evaluation can be the cause of discontent, attrition, and increased recruiting difficulty, it is not a problem beyond the control of managers. The results of the studies have important managerial implications for those companies contemplating or participating in a cause-related marketing campaign.

The question "Is a company known for the company it keeps?" was recently posed (Strahilevitz and Myers 1998). The results of the main studies indicate that prospective and current marketing representatives' corporate evaluations are affected by their perceptions of the firm's choice of not-for-profit partner, the partner itself, and its commitment to the relationship. Marketing managers can use this information to convey their firm's good deeds to not only consumers but also to internal members so important to a firm's success.

The results of the two studies imply that marketing employees attend to their firm's commitment to and fit in a cause-related marketing relationship. That is, their corporate evaluations are most influenced by the perceived level of resources committed to the cause-related marketing relationship and the perceived fit between the partners.

Commitment's impact is relatively standard across studies. The presence of perceived commitment to a cause-related marketing relationship is consistently present in the evaluation of the corporation. A small difference to be noted between Studies 1 and 2 is that in Study 2 the simple slopes crossed to form an "X"; while in Study 1, high commitment in general resulted in a more positive corporate evaluation (and high commitment to good not-for-profit firms was most rewarded). In Study 2, high commitment to a less favorable not-for-profit firms resulted in the lowest corporate evaluations. A subtle punishment was the result of high commitment to a less favored cause in the field survey. Nonetheless, commitment and partner evaluation replicated their interactive nature across studies.

Other predictors offered less lucid interpretations to managers. Take for instance the case of the predictor fit. The perception of fit affected corporation evaluation differently across studies. While in Study 1, its positive constant effect on corporate evaluation was evident which indicates that a fit alone can influence prospective marketing representatives' corporate evaluations.

In Study 2, fit demonstrated itself to exert a contingent influence on corporate evaluation. The effect of partner evaluation on corporate evaluation was found to differ across levels of fit. Under conditions of low fit, partner evaluation had a minimal impact on corporate evaluation. However, the same range of not-for-profit partner evaluation greatly affected the corporate evaluation when a high fit was witnessed. Namely, when a partner organization was more poorly evaluated and the fit between firms was high, corporate evaluation was evidenced to be its lowest. Conversely, when partner evaluation was favorable and the firms appeared to be similar, corporate evaluations were at their apex.

Findings from the combined studies imply that marketing managers can influence how their firm's evaluation is affected. Thus, managers might want to carefully choose for their organization the "company it keeps." Highly evaluated not-for-profit partners are seemingly beneficial. As importantly, managers must control the perceptions of commitment and fit relayed to their marketing representatives. Managers might want to find ways to internally promote the favorability of their partner, the fit when the partner is well liked, and their organization's commitment to the attractive cause-related marketing relationship.

This conclusion is most important when one considers the recent trend in cause-related marketing. The practice of aligning with not-for -profit firms is now a large endeavor. Many not-for-profit firms have realized the value of their brand (Heyman 1998) and can negotiate sky rocketing licensing fees from companies. Take, for example, the popular not-for-profit organization Boys and Girls Club of America. Recently, Coca-Cola corporation initiated an alliance with the nonprofit at the price of sixty million dollars (Resource One).

While it is important to choose a well liked not-for-profit partner, it is equally or more important what a firm does once in the relationship. As variables under the manager's control, the level of commitment and degree of fit can help direct marketing representative's evaluations of their own firm.

Theoretical Implications. The emerging phenomenon of cause-related marketing has been accurately labeled a paradigm shift (Smith 1996). In science, it is common for empirical study to follow behind proving (or disproving) the new paradigm subject; defining its parameters. Cause-related marketing is not unlike this norm.

Undoubtedly, continued theoretical work is needed to increase our understanding of the complex cause-related marketing phenomenon and its impact on different groups and various attitudes and behaviors. The findings of this study contribute to our understanding of cause-related marketing and to the existing corporate social responsibility theoretical framework by empirically demonstrating the internal benefits of doing good. The previous literature failed to address the effects of cause-related marketing on any group beside customers.

Limitations

The purpose of the combined studies was to examine the link between not-for-profit partner evaluations and the marketing representatives' own firm's evaluations. Additionally, we examined several moderating conditions under which this effect might be altered. While the data fit the model relatively well across studies, caveats need mentioning. The limitations are presented in the following section.

The studies focused on only U.S. respondents. Thus, the research findings are limited to American marketing constituents' images of corporate social responsibility. The researcher does not wish to imply that it represents the conclusions possibly draw from other countries. While this exists as a limitation today, it handily opens the door to further research. Namely, extending this study across international borders would be an exciting and elucidating move to extend this research.

With regard to sampling of subjects, some limitations should be addressed. While innumerable studies use atypical populations like students selected on a nonrandom basis, it is not a purist's [methodological purist's] recommendation. In fact, it might be reasoned that the student sample contributed to generating a different outcome from Study 1 to Study 2. Fit, in Study 1, unexpectedly acted as a main effect (different from prediction and from Study 2). The result might be a by-product of its sample. Student subjects in Study 1 were educated in business and trained decision-makers. Using only information pertaining to the business firm in the scenario, subjects might have evaluated the corporation (a prospective employer) based on the intelligence of its decision — its choice of fitting partners. Bad choices (i.e., bad fits) would indicate a poor corporation. The opposite is true for a good fit. More study can be done here.

Relatedly, a methodological limitation might also address the use of only one firm in Study 2. While the firm is nationally recognized for being at the forefront of the research subject and single companies are commonly utilized in research, it is only a single organization. Further research could advance into different industries and across companies. A multi-firm replicated study or a meta-analysis of studies would be conducive to advancing our understanding.

Another potential limitation is that the survey instrument was quite long, particularly in Study 2. Granted, the representatives received altruistic and egoistic appeals and their participation was encouraged by corporate managers, they had no particular incentive to fill out the materials accurately. Respondents might have become fatigued and have begun marking long strings of item responses without carefully reading and contemplating each item.

It is recognized that the advantages of experimental control for inferring causation are tempered by sacrifices in generalizability to complex field settings. Two actions address these concerns. First, tested scenarios were utilized from Pretests 2 and 3. The use of scenarios as the experimental manipulation is a methodology that attempts to overcome the difficulty of reconciling objectivity and artificiality. Its usage is supported by work in script theory.

First, script theory rests on the assumption that when an individual perceives an experience as representative of a certain script, s/he will evoke the thought processes of past decisions associated with this script. When subjects have had experiences similar to the scenario in the experiment, research has shown that subjects will recall stored experiences linking the scenario with appropriate remembrances (Hawes *et al.* 1996). Therefore, individuals respond to a developed scenario in a similar manner as they respond to a like (and actual) experience. In short, respondents' answers to a well-developed and believable scenario can be reasonably generalized to actual behavior.

Second, the complete study was tested using a methodological process (vs. a single discrete study). The two-part study incorporated both a lab-type experiment for internal validity and a field type survey. It was engineered to balance strengths and weaknesses each study offered. Study 2 contributed generalizibility to Study 1's strength of internal validity.

In conclusion, the results of the analysis indicate support for the hypotheses of the study. Table 19 summarizes the findings of the data analysis with regard to these hypotheses.

TABLE 19

SUMMARY OF HYPOTHESES

	Hypotheses	**Support Found**	
		Study 1	**Study 2**
H_1	**The positive relationship between partner evaluation and corporate evaluation is greater when perceived commitment is high than when perceived commitment is low.**	Yes	Yes
H_2	**The positive relationship between partner evaluation and corporate evaluation is greater when perceived fit is high than when perceived fit is low.**	Partially	Yes
H_3	**The positive relationship between partner evaluation and corporate evaluation is greater when representative tenure in the organization is shorter than when tenure is longer.**	Not tested	No

Conclusions

The combined results of Studies 1 and 2 provide a thorough test of the effect of cause-related marketing partner evaluation on evaluations of the firm. In addition, the studies are a first step in understanding under what conditions the effect is moderated. By using a lab-type experiment in Study 1 with prospective employees (i.e., students), steps were taken to minimize extraneous factors and focus entirely on the main effect and moderators.

In Study 2, a different perspective is taken. An actual sample of marketing representatives was utilized. This allowed the authors to expand the finding of Study 1 to another domain thus increasing the generalizability. The subjects were asked to respond to measures of tenure, perceived relationship commitment, fit, and corporate evaluation.

The results of the combined studies led to the following conclusions: (1) cause-related marketing plays a role in influencing representatives' evaluations of their firm, (2) the effect of not-for-profit partner evaluation is contingent upon the perceived level of commitment espoused by the marketing representatives' firm, and (3) additionally, marketing representatives use their perception of fit as a cue when evaluating their organization.

Contributions

The study of this topic contributes to the marketing literature in multiple ways. First, it attempts to provide empirical support in the CSR arena that firms can advantageously fulfill societal obligations. Society-benefitting cause-related marketing relationships are linked to the individual's evaluation of his or her own firm. In this manner, my research contributes to our knowledge of macrostructure/microstructure linkages. It provides evidence to suggest that cause-related marketing can serve an important function in the marketing member's evaluation of a company. By demonstrating that corporate social actions are capable of directly affecting internal constituents, this work contributes to the growing literature that supports the strategic opportunity of social alliances. In addition, it attempted to find if this important effect is enhanced by key moderators.

Further Research

This study investigated if it is possible for organizations that behave in a socially responsible manner in a competitive world not only survive, but also succeed. A recent theme in the literature suggests that such corporate actions are not only altruistic but also wise investments (e.g., Embley 1993; Grefe and Linsky 1995). And while nascent research has begun to support the profitability of CSR through more positive consumer beliefs, feelings and behaviors, little work has a been done with other corporate stakeholders. I agree with other researchers (e.g., Strahelivitz and Myers 1998) and encourage additional work investigating factors that might affect publics beyond the consumer.

Extending the current research, further work might benefit by measuring corporate evaluations along dimensions other than global and affective. Measuring evaluation by items that capture behavioral intentions or beliefs has been done in the past and could be prove insightful. Additionally, because we assume that knowledge about not-for-profit organizations can be characterized in terms of two types of associations — specific attributes and overall attitudes — further research should explore using a different measure of not-for-profit evaluation. Where a global affective measure was utilized for this paper, measuring specific attributes might prove interesting as well.

This paper furthers our knowledge of relational alliances and to the expanding role of not-for-profit organizations. According to Milne *et al.* (1996), "empirical research concerning alliance partnerships remains in its infancy and most *recent* empirical research has focused on alliances among not-for-profit business" (p. 203, italics added). As one American Express marketing executive noted, "The wave of the future isn't checkbook philanthropy. It's the marriage of corporate marketing and social responsibility" (Wall 1984, p. 1). Already, research has begun to explore the effect of social responsibility on external customers' evaluations (Brown and Dacin 1997) and more research has been called for to further explore the effects.

Based on the argument that individuals often have multiple (and sometimes conflicting) identities within their organization, further research should study specific subgroups (selling teams or regionally organized units). It may be argued that outside salespeople have less association with the firm because of the innate nature of the occupation. The autonomy and freedom associated with the outside sales representative's job might lesson the bond between the representative's organizational identity and the importance of corporate evaluation. The implication is that linkages in the current model might be altered.

As noted earlier, the main studies included only a single, albeit fitting, corporate sampling frame. While single organizations are utilized in research because uncovered variance can be more easily attributed to measured factors (and not variance or noise generated from sampling across firms). The discipline would likely benefit from research conducted across multiple companies and across varying industries.

It also seems advantageous to test the current model with a consumer sample and examine similarities and contrasts. Several variables could readily be measured with consumers (e.g., commitment, perceived fit, and partner evaluation). Past results have revealed mixed signals whenever extending conclusions from one set of constituents to another (e.g., from consumers to marketing representatives or vice-versa). For instance, Gilly and Wolfinbarger (1998) concluded that a firm's employees respond similarly to consumers in their response to advertisements. Strahilevitz and Myers (1998) opined that behavioral results would be exhibited by marketing representatives similar to what the authors found exhibited by consumers. However, work has shown that these two groups think or at least respond differently from one another.

A recent survey/opinion poll (Cone 1998) showed that a poor fit could seemingly be advantageous to corporations that demonstrate corporate social responsibility to external publics. Some corporations that were involved in poor fitting relationships with not-for-profit organizations were recalled more highly by consumers than were companies in logical partnerships. Clearly, the study of responses from different samples could prove to be advantageous.

Study 1 offered a cross section of races and gender but was nonetheless a sample of traditional business students. Study 2 enriched the process by contributing a valid cross-section of age but was demonstrated within only a single company and with predominantly one gender — female.

Second, we openly note that our inclusion of constructs is not and was not engineered to be totally exhaustive. Additional variables and retesting of some of the current variables, contributing as main effects, moderators, and dependent variables might assist our understanding. For instance, tenure should be evaluated from 0 to *n* (where *n* is the most senior marketing representative). By starting with truly the newest of marketing representatives, scientists could more fully gauge the impact of tenure.

Gender of marketing representatives might also play a moderating role. From previous research it has been noted that women, more than men, consistently support, rally behind, and are influenced by a noble cause (Ross *et al.* 1992). While the underlying process behind the findings vary from social expectations to the psychological nurturing argument, the manifest behavioral findings lead the researcher to opine the presence of gender as a moderator variable. Further research down this stream is encouraged.

Corporate social responsibility and cause related marketing are increasingly becoming more central to firms' strategic operations. Even as more and more organizations adopt the practice of giving back and being rewarded for it, we have to admit our knowledge of cause related marketing is infinitely small and that there is much room for additional work. We believe that a very fertile research future can be found with cause-related marketing.

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APPENDIX A

PRE-TEST 1 QUESTIONNAIRE

Each of you will evaluate some nonprofit organizations. Your responses are strictly confidential. We will use only averages of results; not individual answers. For each question, circle your best answer. Please complete every question, leave no line blank. Importantly, mark each line only once. Thank you for your cooperation.

	Strongly disagree										Strongly agree
My overall opinion of the organization is very positive.											
Peace Corps		1	2	3	4	5	6	7	8	9	10 11
Children's Miracle Network		1	2	3	4	5	6	7	8	9	10 11
World Wildlife Fund (WWF)		1	2	3	4	5	6	7	8	9	10 11
Breast Cancer Research Foundation		1	2	3	4	5	6	7	8	9	10 11
Humane Society		1	2	3	4	5	6	7	8	9	10 11
United Way		1	2	3	4	5	6	7	8	9	10 11
American Red Cross		1	2	3	4	5	6	7	8	9	10 11
Salvation Army		1	2	3	4	5	6	7	8	9	10 11
National Rifle Association (NRA)		1	2	3	4	5	6	7	8	9	10 11
Greenpeace		1	2	3	4	5	6	7	8	9	10 11
I am very familiar with this organization.											
Peace Corps		1	2	3	4	5	6	7	8	9	10 11
Children's Miracle Network		1	2	3	4	5	6	7	8	9	10 11
World Wildlife Fund (WWF		1	2	3	4	5	6	7	8	9	10 11
Breast Cancer Research Foundation		1	2	3	4	5	6	7	8	9	10 11
Humane Society		1	2	3	4	5	6	7	8	9	10 11
United Way		1	2	3	4	5	6	7	8	9	10 11
American Red Cross		1	2	3	4	5	6	7	8	9	10 11
Salvation Army		1	2	3	4	5	6	7	8	9	10 11
National Rifle Association (NRA)		1	2	3	4	5	6	7	8	9	10 11
Greenpeace		1	2	3	4	5	6	7	8	9	10 11

Assume that a restaurant chain was interested in partnering with one of the following organizations. Evaluate the fit of each organization with a restaurant by circling the most representative number. That is, how closely would each organization match with a restaurant?

	firms go poorly together										firms go well together
Peace Corps		1	2	3	4	5	6	7	8	9	10 11
Children's Miracle Network		1	2	3	4	5	6	7	8	9	10 11
World Wildlife Fund (WWF)		1	2	3	4	5	6	7	8	9	10 11
Breast Cancer Research Foundation		1	2	3	4	5	6	7	8	9	10 11
Humane Society		1	2	3	4	5	6	7	8	9	10 11
United Way		1	2	3	4	5	6	7	8	9	10 11
American Red Cross		1	2	3	4	5	6	7	8	9	10 11
Salvation Army		1	2	3	4	5	6	7	8	9	10 11
National Rifle Association (NRA)		1	2	3	4	5	6	7	8	9	10 11
Greenpeace		1	2	3	4	5	6	7	8	9	10 11

Sex ___ Female ___Male

Age [ ] ≤ 20 [ ] 21-30 [ ] 31-40 [ ] 41-50 [ ] 51-60 [ ] ≥ 61

APPENDIX B

STUDY 1 QUESTIONNAIRE

October 21, 1998

Memorandum

To: Users of OSU Career Extension Office

From: Linda Bickham, Coordinator of Career Extension Office

Subject: Student evaluations of prospective recruiting firms

Many organizations have expressed an interest in visiting Oklahoma State University to interview for manager trainee positions. The desire to interview OSU students has intensified because of the continued strong US economy. Firms are experiencing success and have a real need to interview qualified candidates.

Because we do not have the capacity to invite all interested firms to campus, the OSU Career Extension Office attempts to select the most favored firms by collecting your evaluations. It is very important that we get your opinion about each firm because we are interested in determining how students evaluate organizations coming to OSU. While every organization might not be exactly for <u>you</u> in particular, we need you to evaluate the firm in an objective sense. Even if you would not personally care to work in the type of firm you have been asked to evaluate, we need you to rate the firm. Generally speaking, would it be a good place to work?

Each of you will evaluate only one corporation. Read about the organization thoroughly and answer the questions that follow. The material was compiled for the OSU Job Fair booklet for marketing, management, and hotel/restaurant administration students. Summaries are compiled under the general categories of "Background and Directions," "Internal Actions," and "Community Actions." Each company has been objectively rated with a letter grade by industry observers in these categories. Grades have been included in this report to help you.

Participation with the Career Extension office is voluntary. Your responses are strictly confidential and results will be used in aggregate form only. We are interested in and will use only averages of results; not individual answers. For each question, circle your answer on the basis of what the organization means to <u>you</u>. Please complete every question, leave no line blank. Importantly, mark each line only once. This is your chance to make a difference in the types of firms coming to campus. <u>Thank you</u> for your cooperation.

LB

Evaluate the Red River Grill® restaurant by circling the number most representative between the following words. Do not look back at the previous page.

negative	1	2	3	4	5	6	7	8	9	10	11	positive
unfavorable	1	2	3	4	5	6	7	8	9	10	11	favorable
bad	1	2	3	4	5	6	7	8	9	10	11	good

I had enough information to evaluate this firm as a prospective employer interviewing at OSU.

highly disagree 1 2 3 4 5 6 7 8 9 10 11 highly agree

What do you believe is the nature of the study? ______________________________

____

Evaluate the fit of the Salvation Army and Red River Grill restaurant by circling the most representative number. That is, how closely do the organizations match with one another?

not complementary	1	2	3	4	5	6	7	8	9	10	11	complementary
not consistent	1	2	3	4	5	6	7	8	9	10	11	consistent
match doesn't make sense	1	2	3	4	5	6	7	8	9	10	11	match makes much sense
firms go poorly together	1	2	3	4	5	6	7	8	9	10	11	firms go well together
dissimilar	1	2	3	4	5	6	7	8	9	10	11	similar

Please circle the number that shows your level of agreement with each of the statements.

I am very familiar with the Salvation Army.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

RRG does things with the Salvation Army that require close coordination with their people.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

RRG has spent a lot of time and effort to develop products or procedures that would benefit the Salvation Army.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

RRG doesn't just contribute to the Salvation Army, it seems to build a relationship with it.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

RRG tries to build more value into the relationship by providing special services to the Salvation Army.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

RRG goes out of its way to partner with the Salvation Army.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

RRG has invested a great deal in building up this alliance.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

Please circle the number that shows your level of agreement with each of the statements.

Overall, I would evaluate the Salvation Army very positively.

Strongly Disagree	1	2	3	4	5	6	7	8	9	10	11	Strongly Agree

I think of the Salvation Army in a very favorable way.

Strongly Disagree	1	2	3	4	5	6	7	8	9	10	11	Strongly Agree

I think the Salvation Army is a good organization compared to other similar nonprofit organizations.

Strongly Disagree	1	2	3	4	5	6	7	8	9	10	11	Strongly Agree

Sex ___ Female ___Male Regular state of residence? ______________________

I your country of origin America? ___Yes ___ No

Age [ ] ≤ 20 [ ] 21-30 [ ] 31-40 [ ] 41-50 [ ] 51-60 [ ] ≥ 61

	Strongly Disagree										Strongly Agree
I tried to make good decisions about the firms in this booklet	1	2	3	4	5	6	7	8	9	10	11
It was important to me personally to do well on this task.	1	2	3	4	5	6	7	8	9	10	11

APPENDIX C

STUDY TWO QUESTIONNAIRE

Corporate letterhead

January 18, 1998

To: Selected Honor Society Representatives

From: Group Vice President, U.S. Sales
Director of Global Cause-Related Marketing

Subject: Evaluation questionnaire

This is a survey being conducted by Oklahoma State University researchers in cooperation with your management. We are particularly interested in determining the effect that your firm's work with breast cancer awareness and its partnership with non-profit organizations has on Representatives like yourself. Because your firm will receive only overall results across all respondents, this is an opportunity for you to provide honest feedback anonymously.

While participation is voluntary your response is important to the success of the study. Please understand that your responses will remain strictly confidential and all results of the survey will be used in aggregate form only. Your firm and the OSU researchers are very interested in everything that you say and want your input. Your answers cannot and will not affect your status as a Representative in any way. Your firm is interested in and will use only averages of results, not individual answers.

The survey takes about 20 minutes to complete. We are grateful for your prompt attention. Please don't go back to earlier questions or earlier pages. For each question circle the answer to the best of your ability — even if some seem repetitive or if you have to guess on some of them. Please complete every question; leave no line blank. It is important to mark each line only once. There are no right or wrong answers. In general, it is best to put down the first response that comes to mind.

Thank you for your cooperation in this important work. We know that your time is valuable and appreciate your help. When finished, place the survey in the supplied postage-paid envelope, seal it, and place it in the mail. It will go directly to the OSU researchers.

Your firm has been working in partnership with nonprofit organizations to support a variety of community-based programs across America that provide direct access to breast cancer education and early detection services. It's hard work has resulted in over $25 million having been raised. Two nonprofit partners that it works with are (1) nonprofit firm "X", and (2) nonprofit firm "Y." We need you to choose the nonprofit organization with which you are most familiar. The nonprofit organization that you decide on will be referred to in general terms as "the nonprofit partner." Please write that organization's name in the blank space below.

Which nonprofit organization is most familiar to you? (either "X" or "Y") ______________________

Please circle the number that shows your level of agreement with each of the statements.

Overall, I would evaluate my firm's nonprofit partner very positively.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

I think of my firm's nonprofit partner in a very favorable way.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

I think my firm's nonprofit partner is a good organization compared to other similar nonprofit organizations.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

Evaluate the fit of your firm and the nonprofit organization you just listed by circling the most appropriate number. That is, how closely do the organizations go together?

not complementary	1	2	3	4	5	6	7	8	9	10	11	complementary
not consistent	1	2	3	4	5	6	7	8	9	10	11	consistent
match doesn't make sense	1	2	3	4	5	6	7	8	9	10	11	match makes much sense
firms go poorly together	1	2	3	4	5	6	7	8	9	10	11	firms go well together
dissimilar	1	2	3	4	5	6	7	8	9	10	11	similar

Please circle the number that shows your level of agreement with each of the statements.

My firm has spent a lot of time and effort to develop products or procedures that are acceptable to the nonprofit partner.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

It seems that my firm tries to build more value into the partnership by providing special services to the nonprofit partner.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

My firm has gone out of its way to align itself with the nonprofit partner.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

My firm has invested a great deal in building up this partnership.

Strongly Disagree 1 2 3 4 5 6 7 8 9 10 11 Strongly Agree

Give your evaluation of your firm by circling the most appropriate numbers below.

negative	1	2	3	4	5	6	7	8	9	10	11	positive
unfavorable	1	2	3	4	5	6	7	8	9	10	11	favorable
bad	1	2	3	4	5	6	7	8	9	10	11	good

Sex ___ Female ___Male

How long have you been a sales Representative with your firm? ________ years

What is your age?

[ ] ≤ 20 [ ] 21-30 [ ] 31-40 [ ] 41-50 [ ] 51-60 [ ] ≥ 61

What is your primary language? ______________________

Please place the completed questionnaire in the postage-paid return envelope and mail it back as soon as possible.

Thank you very much for your participation.

APPENDIX D

PRETEST 1 PARTIAL RESULTS

PRETEST 1 OPEN-ENDED RESULTS

"Business firms would like to work with this organization."

Not-for-profit organization	Who would contribute to it	Who would not contribute to it
PEACE CORPS.	international firms The Gap Coke oil industry Shell/Exxon/Conoco	IBM Boeing Southwestern Bell Proctor & Gamble Volkswagen
CHILDREN'S MIR. NET	Columbia Healthcare Oshkosh clothing McDonald's Walmart Johnson & Johnson	Koch Industries Merrill Lynch AARP Home Depot
WORLD WILDLIFE FUND	Exxon Mutual of Omaha Cabella's Petsmart	Pizza Hut International paper Toys R' Us fur coat mfg. Proctor & Gamble
BREAST CANCER RESEARCH	AMA (medical) Revlon, Estee Lauder Avon Dow Corning Liz Claiborne	Tobacco company NAPA Auto Parts H&R Block Nike Dell Computers
NAT'L RIFLE ASSOC.	Ducks Unlimited Wal-mart Colt, Remington, Winchester gun, hunting store	The Body Shop Barnes and Noble Ford WWF Dillards
GREENPEACE	oil and gas corporation The Nature shop Barnes and Noble Dillards L.L. Bean	Polo Exxon/Shell/Phillips Burger King Marlboro Auto manufacturer

APPENDIX E

STUDY 1 SIMPLE SLOPE EQUATION

To understand the nature of interaction, the researcher substituted the dummy codes assigned to commitment (0 = low commitment and 1 = high commitment) wherever the relevant dummy variable occurred in the equation. The goal of the simple slope exercise was to generate two equations that would express the regression of corporate evaluation on not-for-profit partner evaluation at the two values of commitment.

Using the centered data, the researcher computed the simple slope equations for the significant Not-for-Profit Partner Evaluation × Commitment interaction at low and high commitment levels.

$$Y = .0248 \text{ Not-for-Profit Evaluation} + .4945 \text{ Commitment}^{*} + .1632 \text{ Not-for-Profit Evaluation} \times \text{Commitment}^{*}$$

The first slope was computed for low commitment (0 = commitment). The numeral 0 was inserted into the above equation. At low commitment the equation used to calculate slope is:

$$Y_L = .0248 \text{ Not-for-Profit Evaluation}$$

From this equation numbers representing different values along the continuous not-for-profit scale could easily be inserted into the equation as '*X*' and the resulting '*Y*' could be determined (providing the researcher with coordinates for the *X*- and *Y*-axes). The simple t-chart below summarizes the chosen values of not-for-profit evaluation (in the left column) that were chosen and inserted into the equation. The right column below reveals the '*Y*' criterion product.

X	*Y*
0	.0248
10	.248

The second simple slope was computed for high commitment (1 = commitment) in a similar fashion. This time the number 1 was inserted into the regression equation. At high commitment the resulting equation used to calculate slope is:

$$Y_H = .4945 + .1888 \text{ Not-for-Profit Evaluation}$$

As before, numbers representing different values of not-for-profit evaluation could easily be inserted into the equation as '*X*' and the resulting '*Y*' could be determined. The simple t-chart below summarizes the results.

X	*Y*
0	.6825
10	2.3745

In terms of the full model, the slope of the regression of corporate evaluation on not-for-profit firm evaluation at levels of commitment increases by .1632 units moving from a low level of perceived commitment to high commitment.

APPENDIX F

STUDY 2 SIMPLE SLOPE EQUATION

Equations used to calculate the simple slopes presented in Figures 9 and 10 are shown in Appendix F. Two equations are generated for the slopes in Figure 9 and two equations are generated for the slopes in Figure 10.

Figure 9: Not-for-Profit Partner Evaluation × Commitment Interaction

Using the regression data, the researcher computed the simple slope equations for the significant Not-for-Profit Partner Evaluation × Commitment interaction at low and high commitment levels. To understand the nature of interaction, the researcher substituted a number equivalent to one standard deviation below the mean of commitment to represent the effect at perceived low levels of commitment and a number equivalent to one standard deviation above the mean of commitment to represent the effect at perceived high levels of commitment. The goal of the simple slope exercise was to generate two equations that would express the regression of corporate evaluation on not-for-profit partner evaluation at the two values of commitment to plot Figure 9. First, for the purpose of calculation, corporate evaluation was regressed on the variables of interest (not-for-profit partner evaluation, commitment, and not-for-profit partner evaluation × commitment). The coefficients were utilized to construct the following equation.

$$Y = -.301 \text{ Not-for-Profit Evaluation} - .333 \text{ Commitment} \\ + .055 \text{ Not-for-Profit Evaluation} \times \text{Commitment} + 11.03$$

The first slope was computed for low commitment by subtracting one standard deviation from the mean of commitment (9.2 - 1.8 = 7.42). The number 7.42 was inserted into the above equation to replace commitment; the calculations were carried through. At low commitment, the resulting equation used to calculate slope is:

$$Y_L = 8.58 + .07 \text{ Not-for-Profit Partner Evaluation}$$

From this equation numbers representing different values along the continuous not-for-profit evaluation scale could easily be inserted into the equation and the resulting '*Y*' could be determined (providing the researcher with coordinates for the *X*- and *Y*-axes). The simple t-chart below summarizes the chosen values of not-for-profit evaluation (in the left column) that were chosen and inserted into the "low commitment" equation. The right column below reveals the '*Y*' criterion product.

X	*Y*
5	8.93
11	9.35

The second simple slope was computed for high commitment in a similar fashion. This time the number 11.0 (commitment mean + one standard deviation, or 9.6 + 1.6) was inserted into the regression equation. At high commitment the resulting equation used to calculate slope is:

$$Y_H = 7.4 + .25 \text{ Not-for-Profit Partner Evaluation}$$

As before, numbers representing different values of not-for-profit evaluation could easily be inserted into the equation and the resulting '*Y*' could be determined. The simple t-chart below summarizes the results for the "high commitment" line of Figure 9.

X	*Y*
5	8.65
11	10.15

Figure 10: Not-for-Profit Partner Evaluation × Fit Interaction

Using the regression data, the researcher computed the simple slope equations for the significant Not-for-Profit Partner Evaluation × Fit interaction at low and high perceived fit levels. To understand the nature of interaction, the researcher again substituted a number equivalent to one standard deviation below the mean of fit to represent the effect at perceived low levels of fit and a number equivalent to one standard deviation above the mean of fit to represent the effect at perceived high levels of fit. The goal of the simple slope exercise was to generate two equations that would express the regression of corporate evaluation on not-for-profit partner evaluation at the two values of fit to plot Figure 10. First, for the purpose of calculation, corporate evaluation was regressed on the variables of interest (not-for-profit partner evaluation, fit, and not-for-profit partner evaluation × fit). The coefficients were utilized to construct the following equation.

$$Y = -.539 \text{ Not-for-Profit Evaluation} - .685 \text{ Fit} \\ + .084 \text{ Not-for-Profit Evaluation} \times \text{Fit} + 13.89$$

The first slope was computed for low fit by subtracting one standard deviation from the mean of fit (9.3 - 1.9 = 7.4). The number 7.4 was inserted into the above equation to replace fit. At low fit the resulting equation used to calculate slope is:

$$Y_L = 8.86 + .05 \text{ Not-for-Profit Partner Evaluation}$$

From this equation numbers representing different values along the continuous not-for-profit evaluation scale could easily be inserted into the equation and the resulting '*Y*' could be determined (providing the researcher with coordinates for the *X*- and *Y*-axes). The simple t-chart below summarizes the chosen values of not-for-profit evaluation (in the left column) that were chosen and inserted into the "low fit" equation. The right column below reveals the 'Y' criterion product.

X	Y
5	9.11
11	9.41

The second simple slope was computed for high fit in a similar fashion. This time the number 11.2 (fit mean + one standard deviation, or 9.3 + 1.9) was inserted into the regression equation. At high fit the resulting equation used to calculate slope is:

$$Y_H = 6.27 + .36 \text{ Not-for-Profit Partner Evaluation}$$

As before, numbers representing different values of not-for-profit evaluation could easily be inserted into the equation and the resulting 'Y' could be determined. The simple t-chart below summarizes the results for the "high fit" line of Figure 10.

X	Y
5	8.07
11	10.23

APPENDIX G

IRB FORMS

RECEIVED
OCT 01 1998

OKLAHOMA STATE UNIVERSITY
INSTITUTIONAL REVIEW BOARD
HUMAN SUBJECTS REVIEW

04-28-98 **IRB #: BU-98-023**

Proposal Title: DOING WELL BY DOING GOOD: LINKING CAUSE-RELATED MARKETING TO EMPLOYEES' CORPORATE EVALUATIONS

Principal Investigator(s): Josh Wiener, Brian Larson, Tom Brown

Reviewed and Processed as: Modification

Approval Status Recommended by Reviewer(s): Approved

Signature: Carol Olson

Date: October 1, 1998

Director of University Research Compliance
cc: Brian Larson

Approvals are valid for one calendar year, after which time a request for continuation must be submitted. Any modification to the research project approved by the IRB must be submitted for approval. Approved projects are subject to monitoring by the IRB. Expedited and exempt projects may be reviewed by the full Institutional Review Board.

OKLAHOMA STATE UNIVERSITY
INSTITUTIONAL REVIEW BOARD
HUMAN SUBJECTS REVIEW

Date: 04-28-98 **IRB #: BU-98-023**

Proposal Title: DOING WELL BY DOING GOOD: LINKING CAUSE-RELATED MARKETING TO EMPLOYEES' CORPORATE EVALUATIONS

Principal Investigator(s): Josh Wiener, Brian Larson, Tom Brown

Reviewed and Processed as: Exempt

Approval Status Recommended by Reviewer(s): Approved

ALL APPROVALS MAY BE SUBJECT TO REVIEW BY FULL INSTITUTIONAL REVIEW BOARD AT NEXT MEETING, AS WELL AS ARE SUBJECT TO MONITORING AT ANY TIME DURING THE APPROVAL PERIOD.
APPROVAL STATUS PERIOD VALID FOR DATA COLLECTION FOR A ONE CALENDAR YEAR PERIOD AFTER WHICH A CONTINUATION OR RENEWAL REQUEST IS REQUIRED TO BE SUBMITTED FOR BOARD APPROVAL.
ANY MODIFICATIONS TO APPROVED PROJECT MUST ALSO BE SUBMITTED FOR APPROVAL.

Comments, Modifications/Conditions for Approval or Disapproval are as follows:
Participants in this study will not be providing their names; only aggregate responses are to be used; and survey instruments are to be destroyed upon posting of data in a computer. Therefore, the study poses little, if any, risk to participants and should be approved as "Exempt".

Signature:
Chair of Institutional Review Board

Date: April 30, 1998

cc: Brian Larson

VITA

Brian V. Larson

Candidate for the Degree of

Doctor of Philosophy

Thesis: **DOING WELL BY DOING GOOD: LINKING CAUSE-RELATED MARKETING TO REPRESENTATIVES' CORPORATE EVALUATIONS**

Major Field: **Business Administration**

Biographical:

Personal Data: Born in Nebraska City, Nebraska, on December 13, 1968, the son of Virgil D. Larson and Denelda E. Larson.

Education: Graduated from Rock County High School, Bassett, Nebraska, in May 1987; earned Bachelor of Arts degree with a composite major in Marketing from Chadron State College in May 1991. Finished the Master of Business Administration degree in May 1993 from CSC. Completed the requirements for the Doctor of Philosophy in Business Administration degree at Oklahoma State University in May 1999.

Experience: While an undergraduate student, established, owned, and operated a small promotions company; after graduation, employed with Athletic X-Press in Rapid City, SD; served on Executive Board of Advisors at *Husker's Illustrated* (Lincoln, NE: Dallas, TX) 1995-97; undertook multiple consulting jobs from 1994-1997.

Professional Memberships: American Marketing Association, Academy of Marketing Science, and Pi Sigma Epsilon